

**Discussion Draft**

**PROGRAM MANAGER RFP REVIEW**  
***Investment Structure and Experience Component***

California ABLE Act Board

August 2017



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# Investment Structure & Experience: Agenda Items

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	<u>Tab</u>
<b>RFP Review &amp; Evaluation Process</b>	<b>1</b>
<b>Executive Summary</b>	<b>2</b>
<b>Investment Option Analysis</b>	<b>3</b>
<b>Underlying Fund Analysis</b>	<b>4</b>
<b>Underlying Fund Fee Review</b>	<b>5</b>
<b>Appendix Items</b>	
Morningstar Ratings Glossary	
Disclosures	
Monitoring Criteria Detail	
Fair Value Pricing Education Piece by Vanguard	

# Section 1: RFP & Evaluation Process

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# RFP Evaluation Factors

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## **PCA evaluated the Proposal according to the established criteria:**

- Investment Option Review
  - Approach and Understanding of Investment Design
  - Due Diligence and Risk Management
  - Appropriateness of 529a Investment Portfolios
  - Investment Coverage
  - Investment Biases
  - Passive vs. Active
- Underlying Fund Analysis
  - Diversification of Fund Managers
  - Industry peer rankings
- Performance Monitoring Criteria Review
- Underlying Fund Fee Review

## Investment Structure & Experience: Scoring (20 points)

- Percent of Maximum Score Allotted to Particular Weighted Criterion :

	Score	Nottingham Rating
Excellent response backed by demonstrated ability	100%	
Good response backed by demonstrated ability	85%	
Fair response backed by demonstrated ability	75%	√
Poor response	60%	
Bidder does not demonstrate ability	0%	

- Given only one response, our review focuses on absolute analysis vs. relative analysis
  - i.e. focus on viability of single response as opposed to relative strength of different offerings

## Section 2: Executive Summary

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# Executive Summary

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## Dynamic Risk Based Options (Target Date Funds)

- Broad based capital market exposure that automatically adjusts to participant's age
- Efficient means for long-term savings to grow
- Highly competitive fees versus peer groups
  
- Drawbacks
  - Able accounts are not retirement accounts, risk tolerance may not evolve similar to that for retirement assets
  - Somewhat short-track record – launched in November 2015
  - Limited assets under management (<\$100 million / fund)

### *PCA View – Suitable for CalABLE program*

# Executive Summary

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## Static Risk Based Options (Global Allocation Funds)

- Broad based capital market exposure at specific risk levels
- 60/40 fund assets under management = \$3.7 billion
- Morningstar star Rating: 3 for both funds
- Efficient means for long-term savings to grow
  
- Drawbacks
  - Too few options (lack aggressive exposure)
  - Expensive relative to Dynamic Risk Based options (Target Date) and 529a peers
  - Proposed A share class vs. Institutional class
  - Better alternatives available in market

**PCA View – Incomplete suite of options**

***Consider alternative fund family with more robust fund line-up***



# Executive Summary

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## Individual Options

- Passive and active funds available for most segments of the capital markets
  - Allows participants to create tailored portfolios that match their return objectives and risk tolerance
- Passive funds and ETF exhibit good performance with highly competitive fees
  - 3 Vanguard funds medal rated by Morningstar
- Drawbacks
  - Significant overlap between passive options (funds vs ETFs)
  - ETF structure offers no benefit in Able plans
  - Proposed active funds are a poor fit for Program
    - de minimis assets under management
    - unfavorable fees
    - redundant market exposure
    - little-known managers - lack of transparency in some cases
    - short or nonexistent track records
    - smart Beta and alternative fund add unnecessary complexity to choices
    - some funds appear to have ties to Nottingham and Nottingham affiliates

***PCA View – Vanguard funds suitable for CalABLE Program***

***ETFs redundant and not necessary***

***Active funds add complexity and expense without being additive***

# Executive Summary

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## Stable Value

- 2 options are being proposed
  - FDIC
  - Ultra Short Term Prime Fund
- Drawbacks
  - Insufficient data to evaluate Ultra Short Term Prime Fund
    - de minimis assets under management
    - little-known manager - lack of transparency
    - not covered by Morningstar database

***PCA View – FDIC fund suitable for CalABLE Program***

***Ultra Short Term Prime Fund – consider alternate fund family with readily available information in the public domain***

## Section 3: Investment Option Analysis

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# Investment Option Analysis

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## Approach and Understanding of Investment Design

- Overall appropriateness of investment options – rational capital markets exposure
- Reviewed portfolio's effectiveness at generating returns relative to the risks incurred
  - Utilizing simulation based Monte Carlo analysis with PCA's 2017 Capital Market Assumptions

## Due Diligence and Risk Management

- PCA looked at a number of factors that are indicative of strong due diligence and risk management capabilities:
  - Overall risk oversight
  - Underlying fund evaluation
  - Asset allocation / risk analysis
  - Historical risk management effectiveness

## Appropriateness of 529a Investment Portfolios

- PCA looked at a number of factors in determining the appropriateness of 529a investment portfolios:
  - The number and quality of the investment options
  - Capital Market Exposure – Traditional asset class exposures
  - Investment biases
  - Reasonableness of cost relative to investment structure

# Investment Option Analysis

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## Investment Allocation Takeaways

- Dynamic Risk Based Options (Target Date Funds):
  - Provides broad based capital market exposure
  - Utilizes off-the-shelf DFA portfolios
    - Fund-of-funds approach – portfolio consists of multiple underlying DFA funds
  - DFA is highly regarded in investment community – especially liked by RIAs
    - Funds are only available through “qualified” financial advisors
    - Not as well know to individual / retail investors
  - Dynamic exposure to risk – portfolios de-risk as participants age
    - Consistent with life-cycle investment theory – risk tolerance decreases with declining time horizon
  - Systematic quantitative approach
  - Utilizes a factor-tilt enhanced index approach
    - Bias toward small cap and value factors – empirically proven to add value
  - Focus on factors that: make economic sense, persist over time, are available across markets, and that can be cost-effectively captured
  - Proven record of outperforming passive indexes
  - Exhibit global diversification with some home bias
  - Efficient from risk-return perspective – achieve reasonable return for given level of risk

# Investment Option Analysis

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## Investment Allocation Takeaways

- Static Risk Based Options (Global Allocation Funds):
  - Provide broad based capital market exposure at specific risk levels
  - Utilizes off-the-shelf DFA portfolios
    - Fund-of-funds approach – portfolio consists of multiple underlying DFA funds
  - Static risk exposure – allows for self-identification of risk tolerance by participant
  - Only offer two options – limited ability for participants to match risk tolerance with available investment option
    - DFA only offers the two funds included in proposal
    - Lacks aggressive option – only has Moderate risk option (60/40) and conservative option (25/75)
  - Relatively expensive options – roughly twice the cost as the dynamic risk options (target date funds)
    - Proposal includes A share class – Institutional class would reduce cost to participants
  - Similar underlying funds to Dynamic risk options – consistent DFA investment philosophy
    - Systematic quantitative approach with factor tilts
  - Exhibit global diversification with some home bias
  - Efficient from risk-return perspective – achieve reasonable return for given level of risk

# Investment Option Analysis

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## Investment Allocation Takeaways

- Twelve (12) Individual Fund Options:
  - Eight (8) passive and four (4) actively managed
  - Provide broad based exposure to select portions of the capital markets
  - Considerable overlap in market exposure
  - Multiple funds lack of sound justification for inclusion in Program
    - Relationship with Nottingham likely impetus for inclusion
  - Several funds are extremely expensive (4<sup>th</sup> quartile vs. peers)
  - No benefit to ETF investment structure within program
- Passive options include:
  - Four (4) funds managed by Vanguard
  - Two (2) ETFs managed by State Street (SPDRs)
  - Two (2) ETFs managed by BlackRock (iShares)
- Active options include:
  - Two (2) fund-of-funds – one utilizing ETFs and one using active boutique investment managers both designed to provide tactical market exposure
  - One (1) “alternative” manager utilizing a fund-of-funds approach
  - One (1) large cap “smart Beta” ETF advised by OPB Capital LLC an affiliate of Nottingham and managed by Merlin Asset Management
    - Yet to be launched

# Investment Option Analysis

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## Investment Allocation Takeaways

- Stable Value Options:
  - 2 stable value options are being proposed
  - 1 FDIC option
    - Backed by full faith and credit of US government
    - Utilizes multiple FDIC programs to greatly increase government backing of deposits
    - Removes systematic investment risk from cash investments – no market risk
    - Modest yield potential
    - Should benefit from a rising interest rate environment
  - 1 ultra short term prime fund
    - Ticker symbol provided corresponds to fund managed by Chandler Asset Management with limited assets
      - \$35.6 Million
    - Insufficient information provided to evaluate option
      - Fund not followed by Morningstar
      - Unable to find fund fact sheet or fund information on manager website



# Investment Option Analysis

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## **Proposal includes a suite of investment options similar with other state 529a Programs**

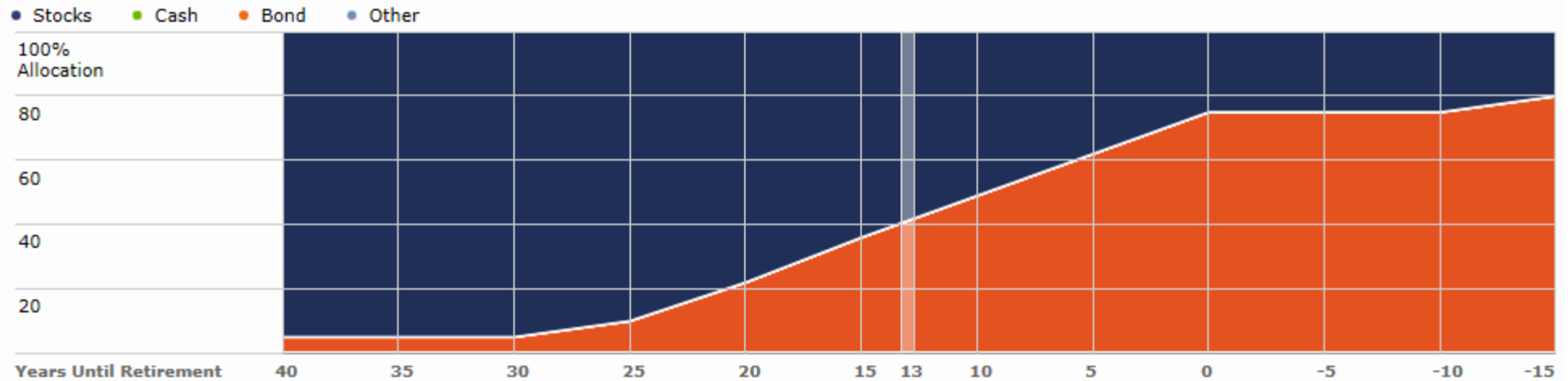
- Nine (9) target date funds
- Two (2) static funds
- Eight (8) passively managed funds
- Four (4) actively managed funds
- Two (2) stable value options
  - One (1) ultra short-term prime option
  - One (1) FDIC high yield savings account option

# Investment Option Analysis

## Target Date Funds – Dimensional Glidepath (2030 fund highlighted)

- Glidepath construction based on saving for retirement - Able participants may have different time horizon/risk tolerance
- Broad based capital market exposure that automatically adjusts to participants age
- Efficient means for long-term savings to growth

### Glide Path DRIWX



\*Grey bar reflects the selected investment's target asset allocation.

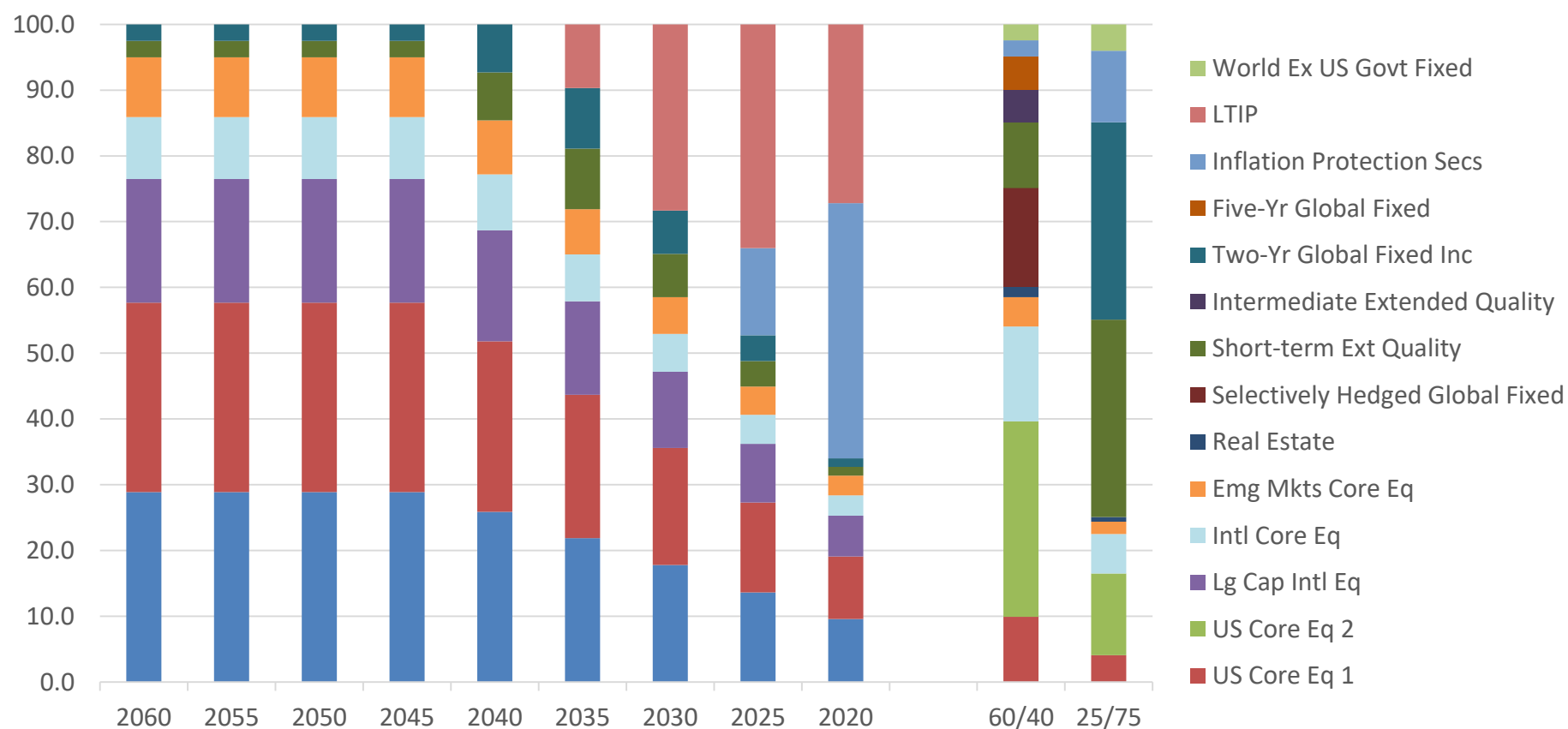
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# Investment Option Analysis

## Dimensional Utilizes a Fund-of-Funds Approach

- Funds diversified across sub-asset classes through investments in other portfolios
- Static funds include allocation to Real Estate

Allocations to Underlying Portfolios

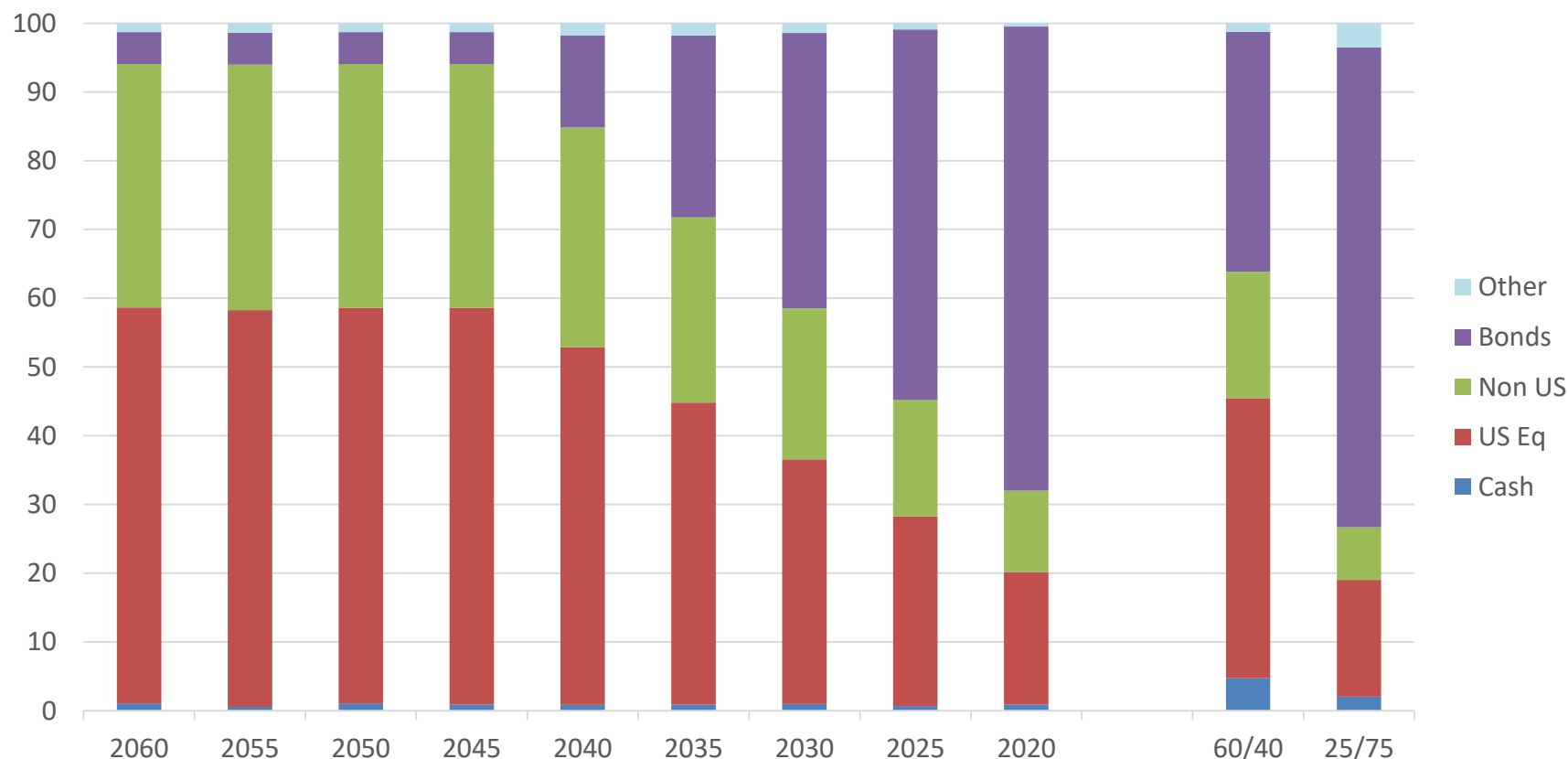


# Investment Option Analysis

## Target Date & Static Funds – Dimensional Asset Allocation

- Funds with 25+ years to the target date have the same broad asset class exposures
- Program lacks Aggressive Static Option (e.g., 80/20)

6/30/17 Actual Allocations

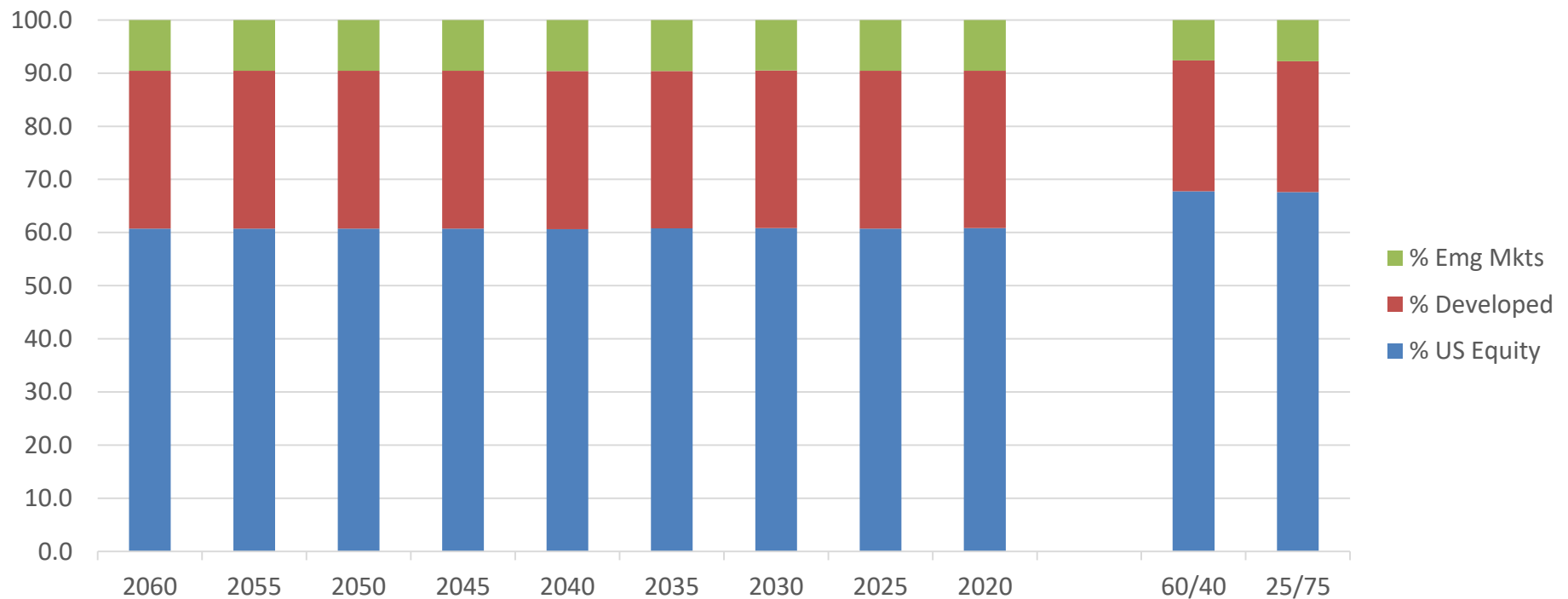


# Investment Option Analysis

## Funds diversified across sub-asset classes – Total Equity: US vs. Non-US

- Consistent equity mix across target date and static funds
- All funds exhibit slight home bias
  - US equity allocations more than market weight  $\approx 60\%$  (target) and  $68\%$  (static) vs  $54\%$

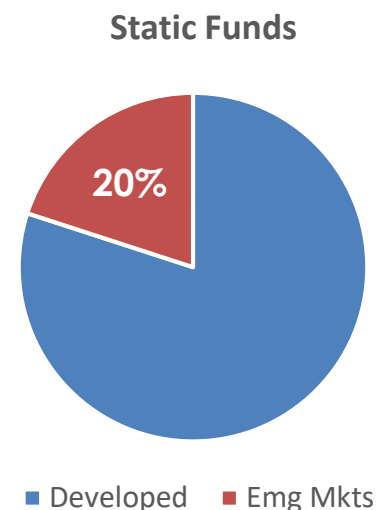
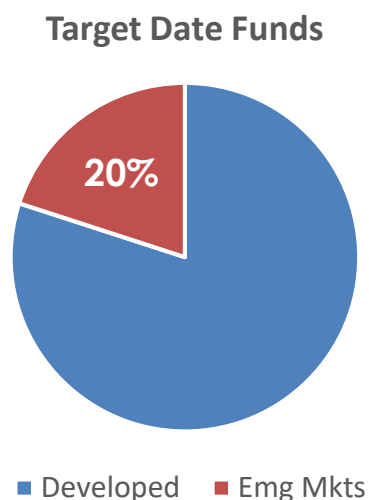
Total Equity: Sub-Asset Allocation of Investment Funds



# Investment Option Analysis

## Options diversified across sub-asset classes – Non-US Equity: Developed vs. Emerging Mkts

- Target Date and Static options structured similarly
- All exhibit more than a market weight to Emerging Markets at 20%
  - Market weight  $\approx$  10% (MSCI All Country World Index)

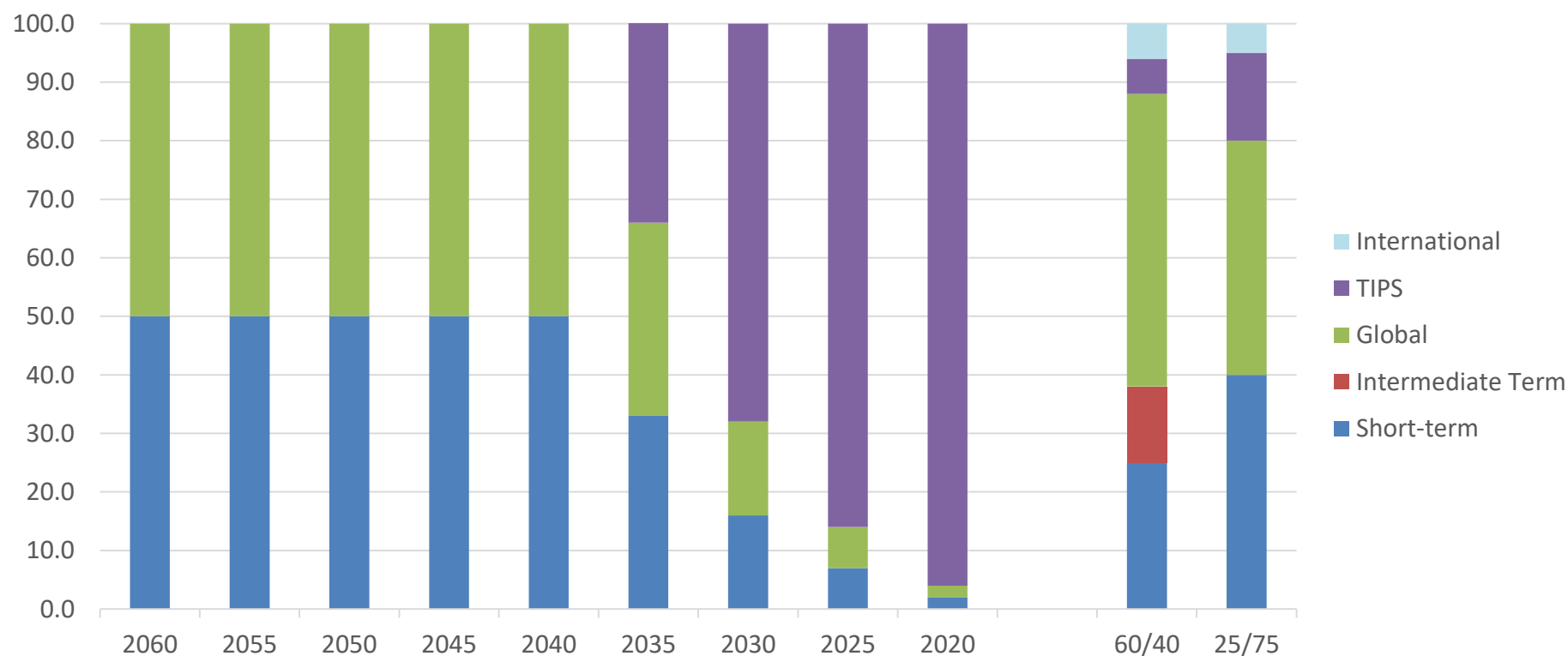


# Investment Option Analysis

## Funds diversified across sub-asset classes – Total Fixed Income

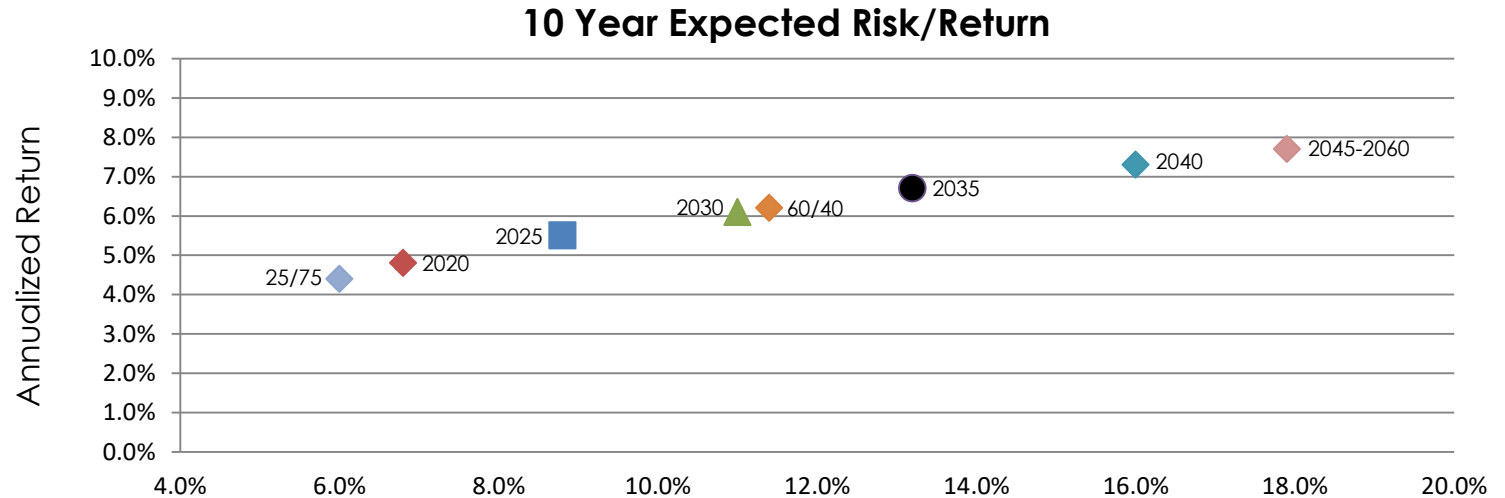
- TIPS play a material role in Target date funds 2020-2035
- Static funds include allocation to dedicated International fixed portfolio

Fixed Income Sub-Asset Allocation of Investment Options



# Investment Option Analysis

The **Sharpe Ratio** is used to characterize how well the return of the portfolio compensates for the risk taken. The higher the portfolio's Sharpe Ratio, the better the portfolio's returns have been relative to the risk it has taken on.



Standard Deviation

	25/75	60/40	2020	2025	2030	2035	2040	2045 – 2060
<b>5% Percentile Return</b>	7.7%	12.4%	8.5%	10.3%	12.1%	13.8%	15.9%	17.5%
<b>25% Percentile Return</b>	5.8%	8.6%	6.4%	7.5%	8.4%	9.4%	10.5%	11.3%
<b>Median Return</b>	4.4%	6.2%	4.8%	5.5%	6.1%	6.7%	7.3%	7.7%
<b>75% Percentile Return</b>	3.0%	3.3%	3.2%	3.3%	3.4%	3.3%	3.2%	3.0%
<b>95% Percentile Return</b>	1.0%	-0.6%	0.8%	0.3%	-0.4%	-1.4%	-2.6%	-3.7%
<b>Median Standard Deviation</b>	6.0%	11.4%	6.8%	8.8%	11.0%	13.2%	16.0%	17.9%
<b>Median Sharpe Ratio*</b>	0.58	0.47	0.57	0.52	0.47	0.44	0.40	0.38

\*Sharpe Ratio = (Portfolio Return – Risk Free Return) / Standard Deviation



# Investment Option Analysis

## Passive Individual Funds

- Provides broad based capital market exposure
- Utilizing mutual funds and exchange traded funds
- Act as building blocks to provide custom portfolios designed by participant
- ETF's redundant to Vanguard funds and not additive to the Program

US Equity		
Large Cap	Vanguard Total Stock Market Index	SPDR S&P 500 ETF
Mid Cap		SPDR S&P MidCap 400 ETF
Small Cap		iShares Core S&P Small Cap ETF
International Equity		
Developed Markets	Vanguard Total International Stock Index	
Emerging Markets		iShares MSCI Emerging Markets ETF
Fixed Income		
US	Vanguard Total Bond Market Index	
International	Vanguard Total International Bond Market Index	

# Investment Option Analysis

## Active Individual Funds

- Provides broad based capital market exposure through fund-of-fund strategies
- Utilizing mutual funds and exchange traded funds
- Act as building blocks to provide custom portfolios designed by participant
- Unable to evaluate Fieldstone Merlin Dynamic Large Cap Growth and Ultra Short Prime funds
  - New to the market and/or lack of transparency

Equity		
Large Cap	Cavalier Dynamic Growth Cavalier Global Opportunities	Fieldstone Merlin Dynamic Large Cap Growth ETF
Mid Cap		
Small Cap		
Developed Markets		
Emerging Markets		
MultiAlternative		
Fund of Funds (Funds and ETFs)	Aspiration Flagship	
Cash Equivalents		
Ultra Short Prime	Ultra Short Prime	

## Section 4: Underlying Funds

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# Underlying Funds

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## Diversification of Fund Managers

- In recognition that no investment manager is an expert across all asset classes we looked at the willingness of the Bidder to utilize multiple fund families in their fund lineups
  - Nottingham's Proposal includes eight fund families
    - Dimensional (nine target date funds, and two static funds)
    - Vanguard (four funds)
    - Cavalier (two funds)
    - Aspiration (one fund)
    - Fieldstone Merlin (one ETF)
    - SPDR (two ETFs)
    - iShares (two ETFs)
    - Ultra Short Prime - Chandler Asset Management (one fund)

## Strength of Underlying Funds

- PCA analyzed the underlying funds' size and peer ratings/rankings
- PCA's standard investment monitoring criteria was used to measure the number of funds that would qualify for further monitoring relative to the number of funds being offered
  - Criteria included the funds ability to minimize tracking error to their benchmarks and the consistency of the Portfolio Management team
  - Three year look back on Portfolio Manager Changes
  - Length of track record

# Underlying Funds

## Strength of Underlying Fund Funds – Target Date & Static

- Nine funds have < \$100.0 million in assets under management
- All Target date funds have a short track record and aren't Star rated by Morningstar
- None of the funds are Medal
- All funds have produced mixed relative performance, ranking above median some of the time

Fund	Inception Date	Assets	Morningstar Ratings (Star/Medal)		Primary Prospectus Benchmark	Peer Rankings (6/30/17)			
			Star	Medal		QTR	1 YR	3 YR	5 YR
Dimensional 2020 Target Date	11/2/15	\$77.6 M	--	--	S&P Global BMI NR USD	94	89	--	--
Dimensional 2025 Target Date	11/2/15	\$96.1 M	--	--	S&P Global BMI NR USD	98	95	--	--
Dimensional 2030 Target Date	11/2/15	\$87.4 M	--	--	S&P Global BMI NR USD	92	83	--	--
Dimensional 2035 Target Date	11/2/15	\$66.2 M	--	--	S&P Global BMI NR USD	82	66	--	--
Dimensional 2040 Target Date	11/2/15	\$51.3 M	--	--	S&P Global BMI NR USD	64	19	--	--
Dimensional 2045 Target Date	11/2/15	\$34.7 M	--	--	S&P Global BMI NR USD	52	7	--	--
Dimensional 2050 Target Date	11/2/15	\$31.5 M	--	--	S&P Global BMI NR USD	56	9	--	--
Dimensional 2055 Target Date	11/2/15	\$9.6 M	--	--	S&P Global BMI NR USD	61	13	--	--
Dimensional 2060 Target Date	11/2/15	\$5.3 M	--	--	S&P Global BMI NR USD	64	13	--	--
Dimensional Global Allocation 25/75 Portfolio	12/24/03	\$820.2 M	3	--	MSCI World NR USD	80	49	67	59
Dimensional Global Allocation 60/40 Portfolio	12/24/03	\$3.7 B	3	--	MSCI World NR USD	60	33	68	58

# Underlying Funds

## Strength of Underlying Fund – Individual

- Three funds have < \$50.0 million in assets under management
- Two funds have a short track record and three aren't Star rated by Morningstar
- Three of the funds are Medal rated
- All funds have produced good relative performance, ranking above median most the time

Fund	Inception Date	Assets	Morningstar Ratings (Star/Medal)		Primary Prospectus Benchmark	Peer Rankings (6/30/17)			
			Star	Medal		QTR	1 YR	3 YR	5 YR
Vanguard Total Stock Market Index Adm	11/13/00	\$596.5 B	4	Gold	CRSP US Total Market TR USD	43	34	21	13
Vanguard Total International Stock Market Index Adm	11/29/10	\$295.1 B	3	Gold	FTSE Global All Cap ex USA NR USD	73	37	44	53
Vanguard Total Bond Market Index Adm	11/12/01	\$185.5 B	3	Silver	Blbg Barclays US Agg FitAdj TR USD	50	83	37	65
Vanguard Total Intl Bond Index Adm	5/31/13	\$7.8 B	4	--	Blbg Barclays Global Agg ex USD FitAdj RIC Capped TR Hedged USD	--	--	--	--
Ultra Short Prime Fund (Chandler Asset Management Inc.)	11/17/16	\$35.6 M	--	--	Data Not Available	--	--	--	--
Cavalier Dynamic Growth	10/2/09	\$7.7 M	5	--	S&P Global BMI TR USD	3	7	1	1
Cavalier Global Opportunities	9/20/12	\$24.4 M	5	--	S&P Global BMI TR USD	4	2	4	--
Aspiration Flagship Fund	10/14/14	\$9.3 B	--	--	S&P 500 TR USD	51	40	--	--
Fieldstone Merlin Dynamic Large Cap Growth ETF	--	--	--	--		--	--	--	--
SPDR S&P 500 ETF	1/22/93	\$242.5 B	4	--	S&P 500 TR USD	40	44	11	23
SPDR S&P Mid Cap 400 ETF	5/4/95	\$18.6 B	4	--	S&P MidCap 400 TR	52	37	12	18
iShares Core S&P Small Cap ETF	5/22/00	\$31.0 B	5	--	S&P Small Cap 600 TR	48	34	6	5
iShares MSCI Emerging Markets ETF	4/7/03	\$35.0 B	3	--	MSCI EM NR USD	44	34	56	62

# Underlying Funds – Passively Managed

## Monitoring Criteria

- Funds qualify for further monitoring when results falls below criteria for six consecutive months
- Most funds experienced a change in team, most adding resources
- One fund qualifies for further monitoring
  - One of the funds fell into Caution due to “Fair Market Value” pricing adjustment procedures

Target Date	Static	Individual	Principal Protection	Nottingham ABL Solutions	Short-Term	Medium-Term	Long-Term	Recent PM Change	Further Monitoring Required
		✓		Vanguard Total Stock Market Index				✓	
		✓		Vanguard Total International Stock Index				✓	Yes – Fair Value Pricing
		✓		Vanguard Total Bond Market Index					
		✓		Vanguard Total International Bond Index			N/A	✓	
		✓		SPDR S&P 500 ETF					
		✓		SPDR S&P Mid Cap 400 ETF					
		✓		iShares Core S&P Small Cap ETF				✓	
		✓		iShares MSCI Emerging Markets ETF				✓	

\*Analogous ETF track record was used for performance monitoring review

N/A = track record shorter than criteria requires

# Underlying Funds – Actively Managed

- Funds qualify for further monitoring when results falls below criteria for six consecutive months
- All funds experienced a change in team, most adding resources
- One fund qualifies for further monitoring

Target Date	Static	Individual	Principal Protection	Nottingham ABE Solutions	Short-Term	Medium-Term	Long-Term	Recent PM Change	Further Monitoring Required
✓				Dimensional 2020 Target Date Fund		N/A	N/A	✓	
✓				Dimensional 2025 Target Date Fund		N/A	N/A	✓	
✓				Dimensional 2030 Target Date Fund		N/A	N/A	✓	
✓				Dimensional 2035 Target Date Fund		N/A	N/A	✓	
✓				Dimensional 2040 Target Date Fund		N/A	N/A	✓	
✓				Dimensional 2045 Target Date Fund		N/A	N/A	✓	
✓				Dimensional 2050 Target Date Fund		N/A	N/A	✓	
✓				Dimensional 2055 Target Date Fund		N/A	N/A	✓	
✓				Dimensional 2060 Target Date Fund		N/A	N/A	✓	
	✓			DFA Global Allocation 25/75 Fund				✓	
	✓			DFA Global Allocation 60/40 Fund				✓	
		✓		Cavalier Dynamic Growth Fund				✓	
		✓		Cavalier Global Opportunities Fund			N/A	✓	
		✓		Aspiration Flagship Fund		N/A	N/A	✓	Yes
		✓		Fieldstone Merlin Dynamic Large Cap Growth ETF	N/A	N/A	N/A	✓	
			✓	Ultra Short Prime Fund	N/A	N/A	N/A	✓	

N/A = track record shorter than criteria requires



# Underlying Funds

## Fund Management

- Must funds have had some change in leadership; most adding resources
- PM changes in passive funds are more common and tend to have little impact on the process

Fund	Ticker	Current PM Team	PM Departures Last 3 Years
Dimensional 2020 Target Date	DRIRX	<div> <div>11/02/2015</div> <div>11/02/2015</div> <div>11/02/2015</div> <div>11/02/2015</div> <div>11/02/2015</div> <div>02/28/2017</div> </div> <div>           Joseph H. Chi            Jed Fogdall            Joseph F. Kolerich            David A. Plecha            Allan Pu            Mary T. Phillips         </div>	
Dimensional 2025 Target Date	DRIUX		
Dimensional 2030 Target Date	DRIWX		
Dimensional 2035 Target Date	DRIGX		
Dimensional 2040 Target Date	DRIHX		
Dimensional 2045 Target Date	DRIIX		
Dimensional 2050 Target Date	DRIJX		
Dimensional 2055 Target Date	DRIKX		
Dimensional 2060 Target Date	DRILX		
Dimensional Global Allocation 25/75 Portfolio	DFGPX	<div> <div>11/02/2015</div> <div>11/02/2015</div> <div>11/02/2015</div> <div>11/02/2015</div> <div>11/02/2015</div> <div>02/28/2017</div> </div> <div>           Joseph H. Chi            Jed Fogdall            Joseph F. Kolerich            David A. Plecha            Mary T. Phillips            Allan Pu         </div>	<div> <div>02/2/2014-02/28/2017</div> <div>01/31/2016-02/28/2015</div> </div> <div>           Bhanu P. Singh            Stephen A. Clark         </div>
Dimensional Global Allocation 70/30 Portfolio	DFPRX		
Vanguard Total Stock Market Index Adm	VTSEX	<div> <div>12/31/1994</div> <div>04/27/2016</div> </div> <div>           Gerard C. O'Reilly            Walter Nejmanb         </div>	
Vanguard Total International Stock Market Index Adm	VTIAX	<div> <div>08/05/2008</div> <div>02/25/2016</div> </div> <div>           Michael Perre            Michelle Louie         </div>	
Vanguard Total Bond Market Index Adm	VBTLX	<div> <div>02/22/2013</div> </div> <div>           Joshua C. Barrickman         </div>	<div> <div>04/25/2008-02/22/2013</div> <div>12/01/1992-06/30/2014</div> </div> <div>           Gregory Davis            Kenneth E. Volpert         </div>
Vanguard Total Intl Bond Index Adm	VTABX	<div> <div>05/31/2013</div> <div>03/28/2017</div> </div> <div>           Joshua C. Barrickman            Christopher E. Wrazen         </div>	<div> <div>05/31/2013-03/28/2017</div> </div> <div>           Yan Pu         </div>
Ultra Short Prime Fund	ULSPX	<div> <div>11/17/2016</div> </div> <div>           Martin Cassell         </div>	Data Not Available

# Underlying Funds

Fund	Ticker	Current PM Team		PM Departures Last 3 Years	
Cavalier Dynamic Growth	CDYGX	08/01/2016 09/28/2016	Mark Scalzo Justin Lent	08/01/2016-09/28/2016 08/01/2015-08/01/2016 08/01/2015-08/01/2016 08/28/2014-08/04/2015 09/18/2012-02/25/2015 09/18/2015-08/28/2014 09/18/2012-08/04/2015	William Russell Mann Scott S. Chaisson Tim Shanahan D. Jerry Murphy Greg Rutherford Chase Weaver Steven J. Wruble
Cavalier Global Opportunities	CATEX	08/01/2015	David M. Haviland	08/01/2015-08/01/2016 08/01/2015-08/01/2016 08/28/2014-08/04/2015 09/20/2012-02/25/2015 09/20/2012-08/28/2014 09/20/2012-08/04/2015	Scott S. Chaisson Tim Shanahan D. Jerry Murphy Greg Rutherford Chase Weaver Steven J. Wruble
Aspiration Flagship Fund (sub-advisor Emerald Asset Management)	ASPFX	10/14/2014 10/14/2014	Joseph E. Besecker Joseph Witthohn		
Fieldstone Merlin Dynamic Large Cap Growth ETF	FMDG	2017	Michael Obuchowski		
SPDR S&P 500 ETF	SPY	N/A	N/A	N/A	N/A
SPDR S&P Mid Cap 400 ETF	MXV	N/A	N/A	N/A	N/A
iShares Core S&P Small Cap ETF	IJR	2008 2008 2012 2016	Diane Hsiung Greg Savage Jennifer Hsui Alan Mason	N/A	N/A
iShares MSCI Emerging Markets ETF	EEM				

## Section 5: Underlying Fund Fee Review

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# Underlying Funds Fee Review

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## To evaluate the competitiveness of the underlying funds' fees:

- PCA considered each fund's net expense ratio\*
- Constructed peer groups using Morningstar Direct
  - Consisting of institutionally managed funds
  - Consistent with the fund's investment strategy
  - Limited Share classes to: D, No Load, N, Institutional, Investor, Load Waived
- Reviewed all underlying funds to determine ...
  - How competitive fees are versus peers
  - If a more favorable share class exists
  - If the share class is open to investors and
  - If the program qualifies for investment in the identified share class

\*Prospectus Net Expense Ratio: The percentage of fund assets, net of reimbursements, used to pay operating expenses and management fees, including 12b-1 fees, administrative fees, and all other asset-based costs incurred by the fund, except brokerage costs. Fund expenses are reflected in the fund's NAV. Data source: Morningstar Direct.

Please note, this analysis does not contemplate the Program Manager or State's administrative fees.

# Underlying Funds Fee Review

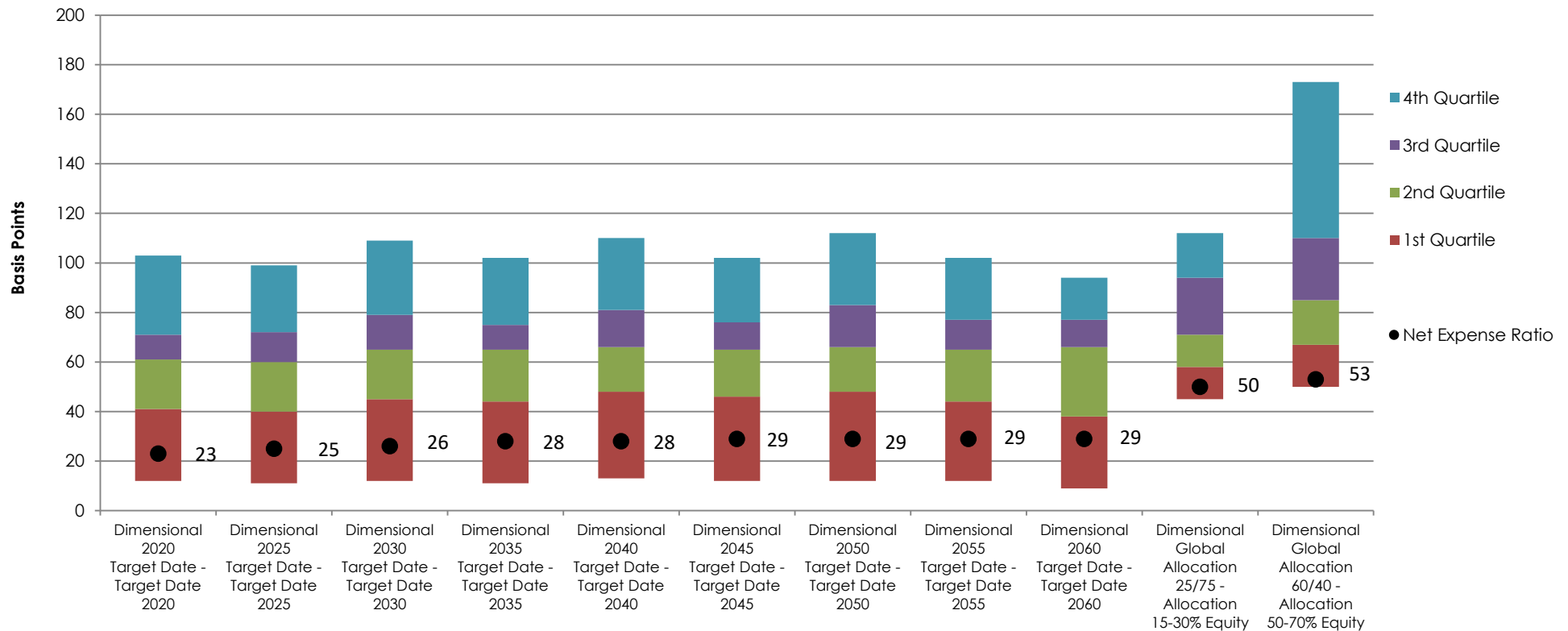
## Fund Net Expense Ratio vs. Peers

	Quartile				
Total # of Funds	1 <sup>st</sup> (Lowest)	2 <sup>nd</sup> (Reasonable)	3 <sup>rd</sup> (Unfavorable)	4 <sup>th</sup> (Highest)	Insufficient Peer Data
24	17 (71%)	2 (8%)	1 (4%)	3 (13%)	1 (4%)

- Overall underlying funds' fees are highly competitive vs. peer groups
  - Seventeen (17) funds rank in the top quartile (lowest fees)
  - Two (1) funds rank in the second quartile (reasonable fees)
- One (1) fund has insufficient peer universes
- Lower fund fee structures available as Program assets grows
  - Vanguard funds
    - \$5 million – Institutional class minimum
    - \$100 million – Institutional Plus class minimum
    - \$3 billion – Institutional Select class minimum
  - Dimensional Global Allocation funds
    - No stated minimum - Institutional share class

# Underlying Funds Fee Review

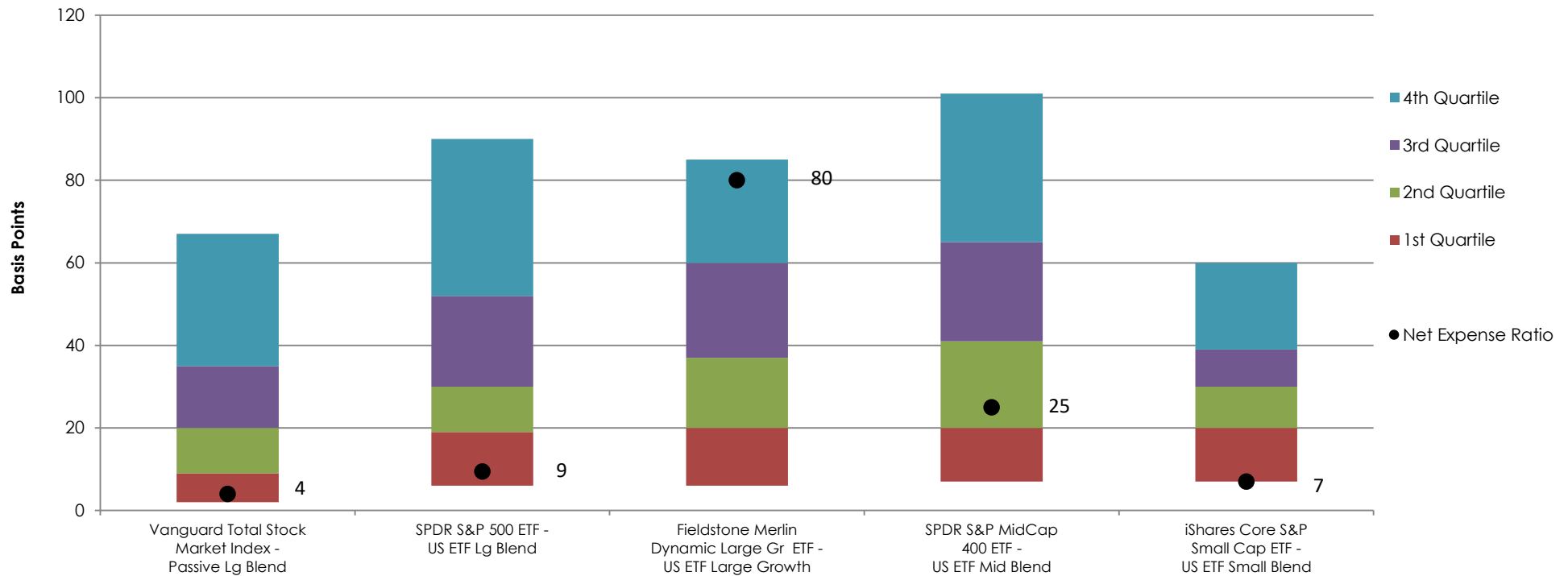
Target Date & Static Fund Fee Comparison



- All eleven (11) funds placed in the top quartile (lowest fees) – highly competitive
- Lower fund fee structure available for future consideration
  - Dimensional Global Allocation 25/75 –
    - Institutional (25.0 bps) – no minimum stated
  - Dimensional Global Allocation 60/40 –
    - Institutional (28.0 bps) – no minimum stated

# Underlying Funds Fee Review

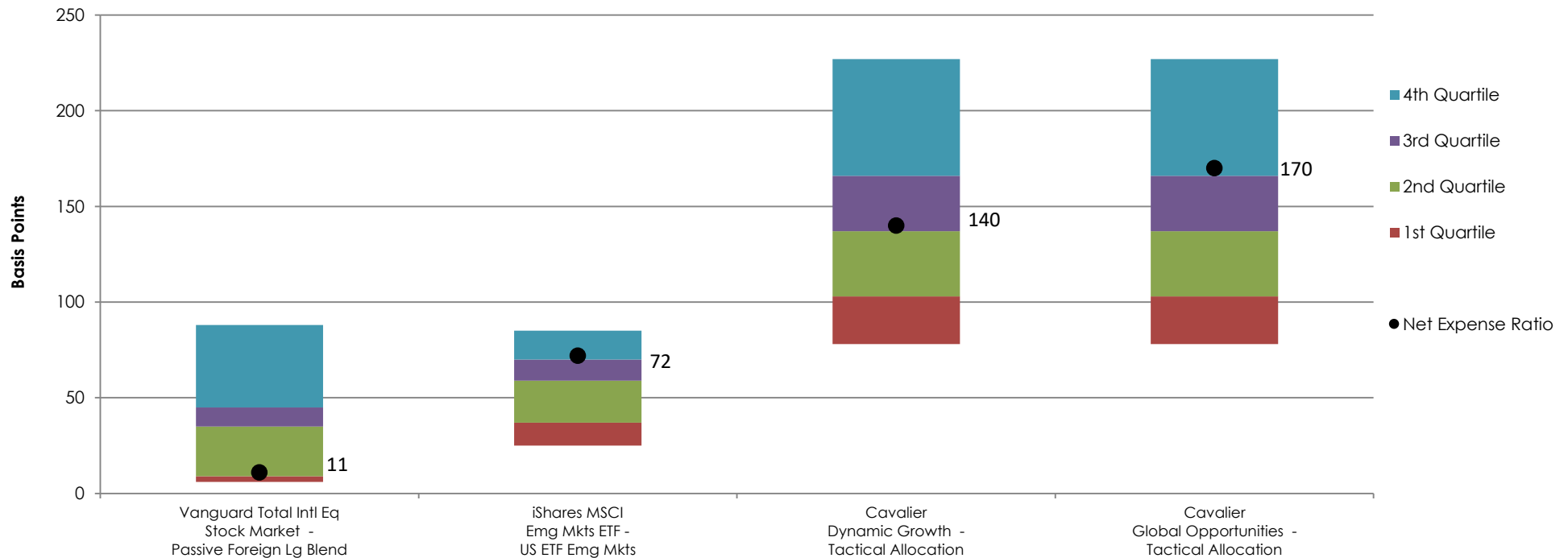
## US Equity Fund Fee Comparison



- Three (3) of 5 funds placed in the top quartile (lowest fees) – highly competitive
- One (1) fund placed below median
- Lower fund fee structure available for future consideration
  - Vanguard Total Stock Market Index –
    - Institutional (3.0 bps) - \$5.0 million minimum investment
    - Institutional Plus (2.0 bps) - \$100.0 million minimum investment
    - Institutional Select (1.0 bps) - \$5.0 billion minimum investment

# Underlying Funds Fee Review

**Non-US & Global Equity Fund Fee Comparison**

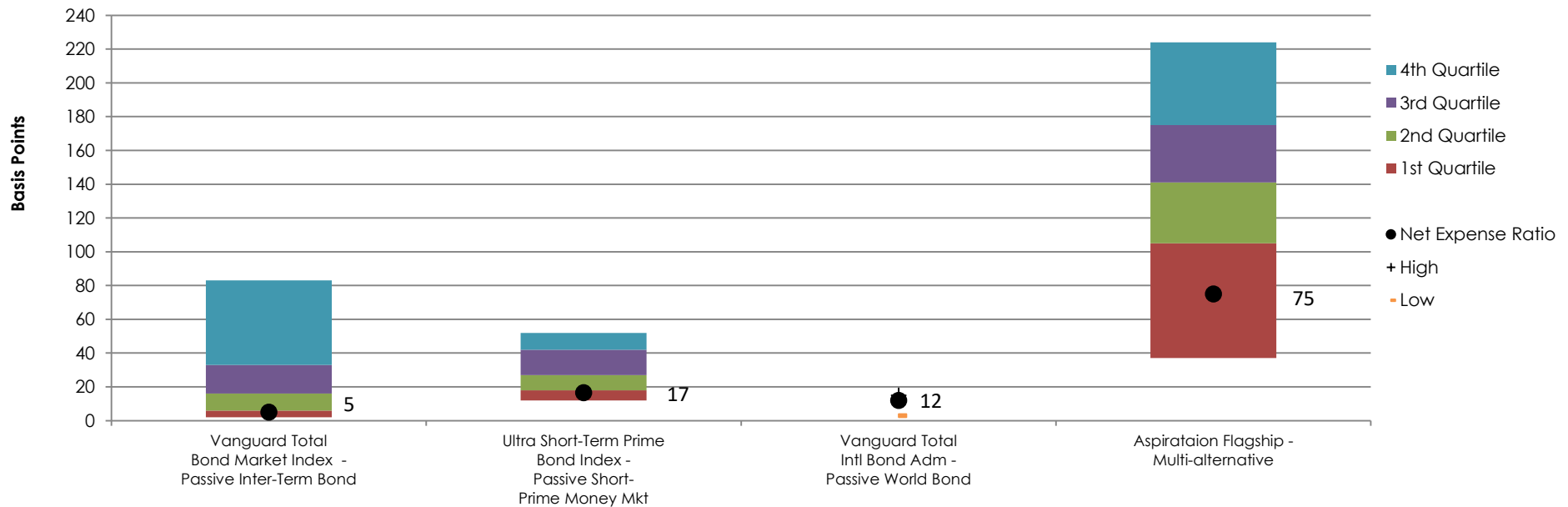


- One (1) fund placed in the second quartile – reasonably competitive
- Three (3) funds placed at or below median
- Lower fund fee structure available for future consideration
  - Vanguard Total International Stock Index –
    - Institutional (9.0 bps) - \$5.0 million minimum investment
    - Institutional Plus (7.0 bps) - \$100.0 million minimum investment
    - Institutional Select shares (5.0 bps) - \$3.0 billion minimum investment



# Underlying Funds Fee Review

## Fixed Income & Multi-alternative Fund Fee Comparison



- Three (3) of 4 funds rank in the top quartile (lowest fees) – highly competitive
- One fund has insufficient peer universe
  - Passive World Bond Peer Universe is insufficient – consists only of the Vanguard Total Intl Bd Fund share classes
- Lower fund fee structure available for future consideration
  - Vanguard Total Bond Index –
    - Institutional (4.0 bps) - \$5.0 mil min investment
    - Institutional Plus (3.0 bps) - \$100.0 million minimum investment
    - Institutional Select (1.0 bps) - \$3.0 billion minimum investment
  - Vanguard International Bond –
    - Institutional (7.0 bps) - \$5.0 million minimum investment
    - Institutional Select (2.5 bps) - \$3.0 billion minimum investment

# Underlying Funds Fee Review

## Institutional Mutual Fund and ETF Peer Universes

Universe	# of Constituents
Passive Large Blend	92
US ETF Large Blend	121
US ETF Large Growth	40
US ETF Mid Blend	37
US ETF Small Blend	37
Passive Foreign Large Blend	51
US ETF Emerging Market Equities	67
Tactical Allocation	114
Passive Intermediate-Term Bond	29
Passive Prime Money Market	90
Passive World Bond	3
Multi-alternative	149

Universe	# of Constituents
Target Date 2020	50
Target Date 2025	45
Target Date 2030	50
Target Date 2035	36
Target Date 2040	50
Target Date 2045	46
Target Date 2050	49
Target Date 2055	48
Target Date 2060	40
Allocation 15-30% Equity	59
Allocation 50-70% Equity	234

# Appendix

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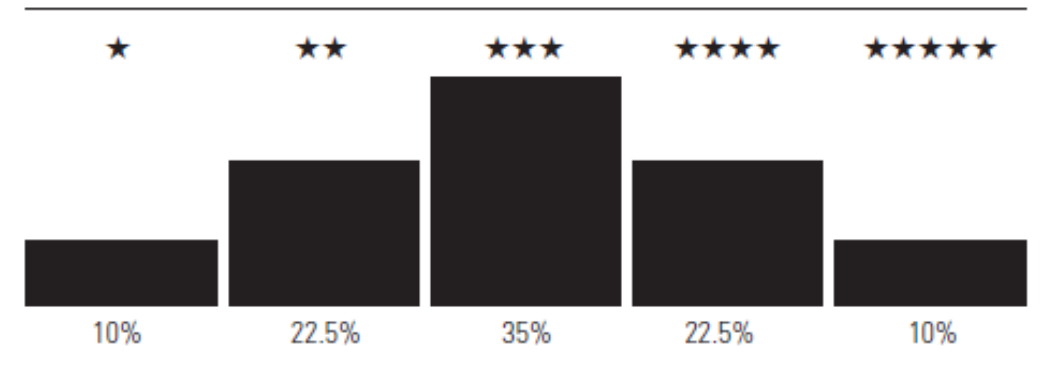
# Morningstar Ratings Glossary

## **Morningstar: Star Ratings**

Morningstar rates mutual funds from 1 to 5 stars based on how well they've performed (after adjusting for risk and accounting for sales charges) in comparison to similar funds.

Within each Morningstar Category, the top 10% of funds receive 5 stars and the bottom 10% receive 1 star (see the chart to the right).

Funds are rated for up to three time periods-three-, five-, and 10-years and these ratings are combined to produce an overall rating. Funds with less than three years of history are not rated. Ratings are objective, based entirely on a mathematical evaluation of past performance.



## **Morningstar: Analyst – Medal Ratings**

The Analyst Rating is the summary expression of Morningstar's forward-looking analysis of a fund. Morningstar analysts assign the ratings on a five-tier scale with three positive ratings of Gold, Silver, and Bronze, a Neutral rating, and a Negative rating.

The Analyst Rating is based on the analyst's conviction in the fund's ability to outperform its peer group and/or relevant benchmark on a risk-adjusted basis over the long term. If a fund receives a positive rating of Gold, Silver, or Bronze, it means Morningstar analysts think highly of the fund and expect it to outperform over a full market cycle of at least five years.

Methodology - Morningstar evaluates funds based on five key pillars - Process, Performance, People, Parent, and Price - which its analysts believe lead to funds that are more likely to outperform over the long term on a risk-adjusted basis. Analysts assign a rating of Positive, Neutral, or Negative to each pillar.

### **Overall Medal Rating Scale**

- Gold: Best-of-breed fund that distinguishes itself across the five pillars and has garnered the analysts' highest level of conviction.
- Silver: Fund with advantages that outweigh the disadvantages across the five pillars and with sufficient level of analyst conviction to warrant a positive rating.
- Bronze: Fund with notable advantages across several, but perhaps not all, of the five pillars - strengths that give the analysts a high level of conviction.
- Neutral: Fund that isn't likely to deliver standout returns but also isn't likely to significantly underperform, according to the analysts.
- Negative: Fund that has at least one flaw likely to significantly hamper future performance and that is considered by analysts an inferior offering to its peers.

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PCA

PENSION  
CONSULTING  
ALLIANCE

Q2 2017

CalABLE  
Quarterly Report

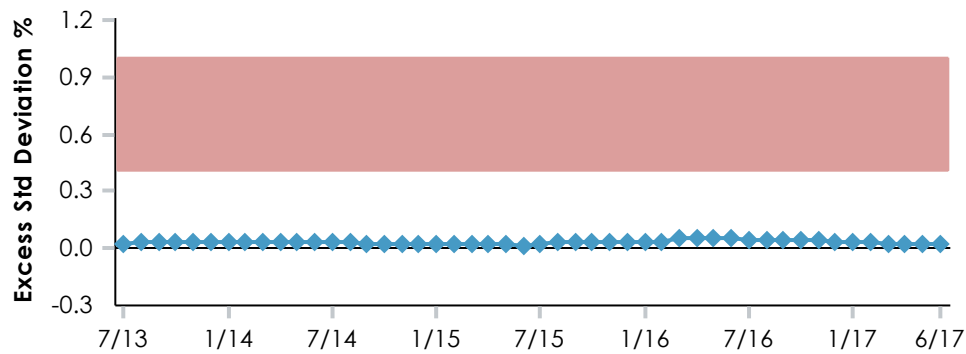
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PCA

## SPDR S&P 500 ETF vs. S&P 500 Index

### Short-term (Rolling 12 Months Tracking Error)

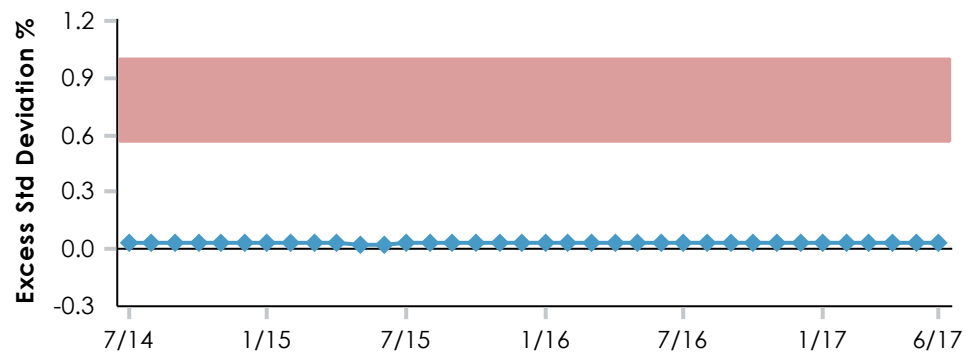


Short-Term Performance:

**Positive**

Probationary Performance = 0.40%

### Medium-term (Rolling 36 Months Tracking Error)

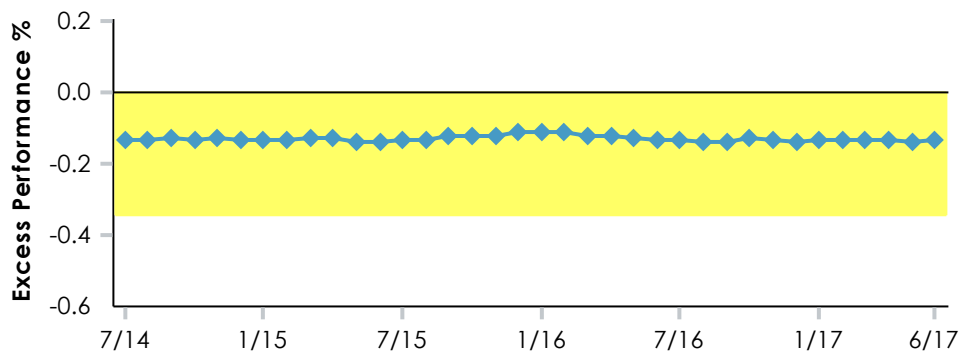


Medium-Term Performance:

**Positive**

Probationary Performance = 0.55%

### Long-term (Rolling 60 Months Excess Performance)



Long-Term Performance:

**Acceptable**

Probationary Performance

### Annualized Performance Results (Net of management fees)

	1 Quarter	1 Year	3 Years	5 Years	Since Inception	Inception Date
SPDR S&P 500 ETF	3.1	17.8	9.5	14.5	9.3	02/01/1993
S&P 500 Index	3.1	17.9	9.6	14.6	9.4	

Monitoring Status

**Positive**

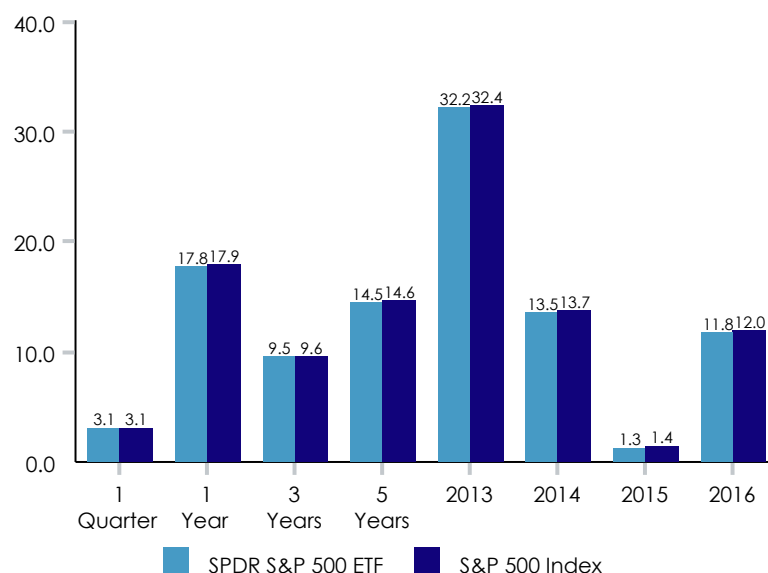
# SPDR S&P 500 ETF

June 30, 2017

## Mutual Fund Info

Product Name : SPDR S&P 500 ETF (SPY)  
 Fund Family : State Street Bank and Trust Company  
 Ticker : SPY  
 Peer Group : IM S&P 500 Index (MF)  
 Benchmark : S&P 500 Index  
 Fund Inception : 01/22/1993  
 Portfolio Manager : Team Managed  
 Total Assets : \$236,738 Million  
 Total Assets Date : 06/30/2017  
 Gross Expense : 0.1%  
 Net Expense : 0.1%  
 Turnover : 4%

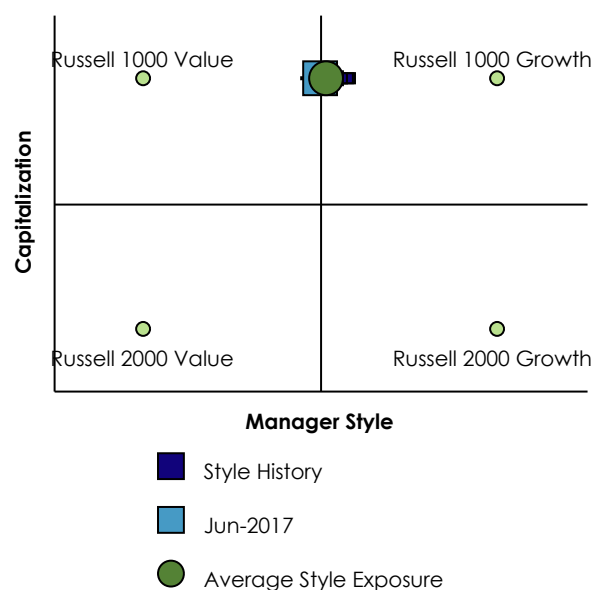
## Comparative Performance



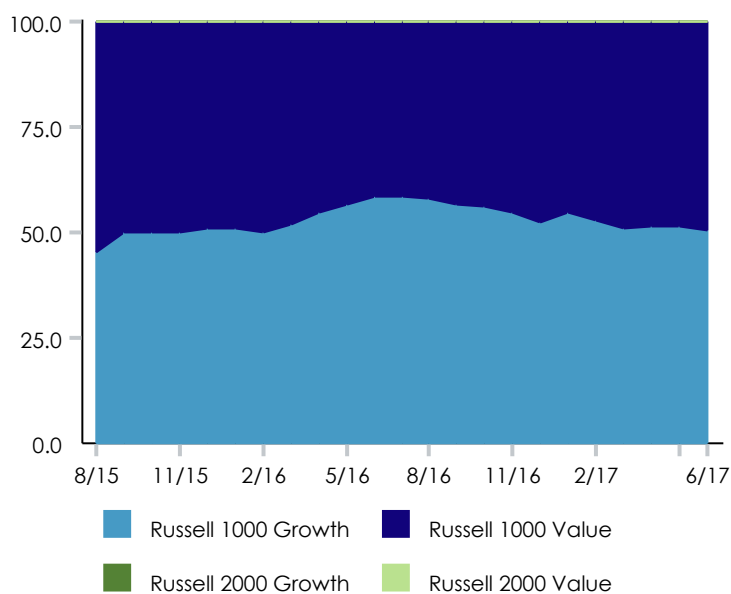
## Fund Investment Policy

The Trust seeks investment results that, before expenses, generally correspond to the price and yield performance of the component common stocks of the S&P 500 Index.

## Style Map (3 Years)



## Style History (3 Years)

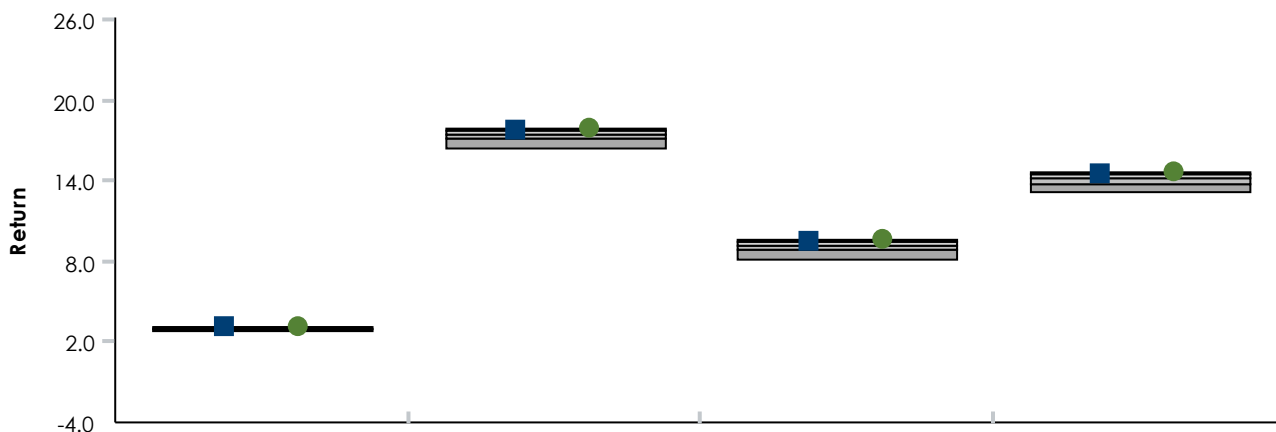




## Historical Statistics (3 Years)

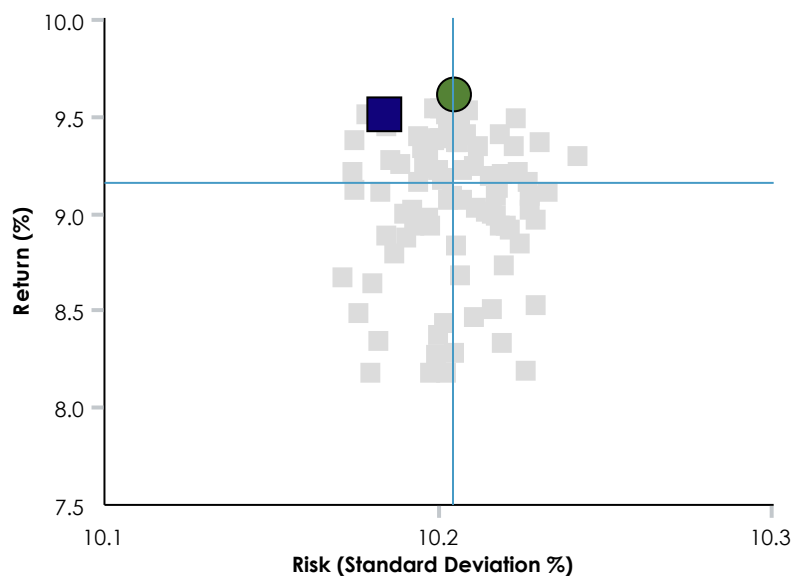
	Return	Standard Deviation	Sharpe Ratio	Alpha	Beta	R-Squared	Tracking Error	Information Ratio	Up Market Capture	Down Market Capture
SPDR S&P 500 ETF	9.5	10.2	0.9	-0.1	1.0	1.0	0.0	-3.1	99.5	100.1
S&P 500 Index	9.6	10.2	0.9	0.0	1.0	1.0	0.0	N/A	100.0	100.0
IM S&P 500 Index (MF) Median	9.2	10.2	0.9	-0.4	1.0	1.0	0.1	-5.5	98.5	101.8

## Peer Group Analysis



	1 Quarter	1 Year	3 Years	5 Years
SPDR S&P 500 ETF	3.1 (15)	17.8 (18)	9.5 (13)	14.5 (15)
S&P 500 Index	3.1 (4)	17.9 (2)	9.6 (1)	14.6 (1)
Median	3.0	17.5	9.2	14.1

## Peer Group Scattergram (3 Years)



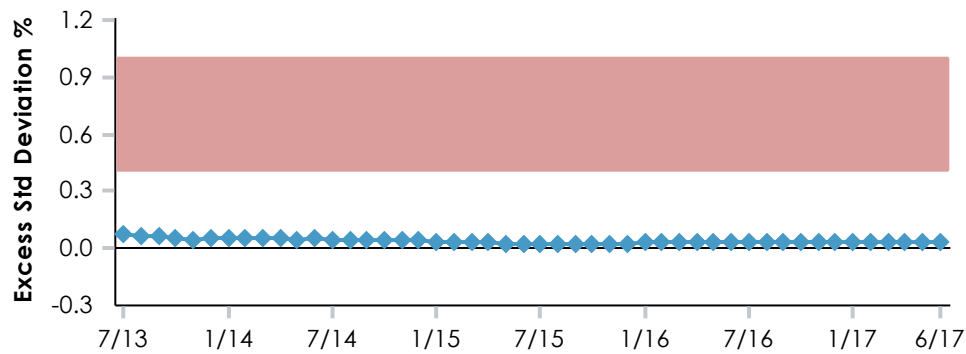
	Return	Standard Deviation
SPDR S&P 500 ETF	9.5	10.2
S&P 500 Index	9.6	10.2
Median	9.2	10.2

## Performance Statistics (3 Years)

	Months	%
<b>Market Capture</b>		
Up Markets	24	99.5
Down Markets	12	100.1
<b>Batting Average</b>		
Up Markets	24	8.3
Down Markets	12	25.0
Overall	36	13.9

# Vanguard Total Stock Market Index vs. CRSP U.S. Total Market TR Index

## Short-term (Rolling 12 Months Tracking Error)

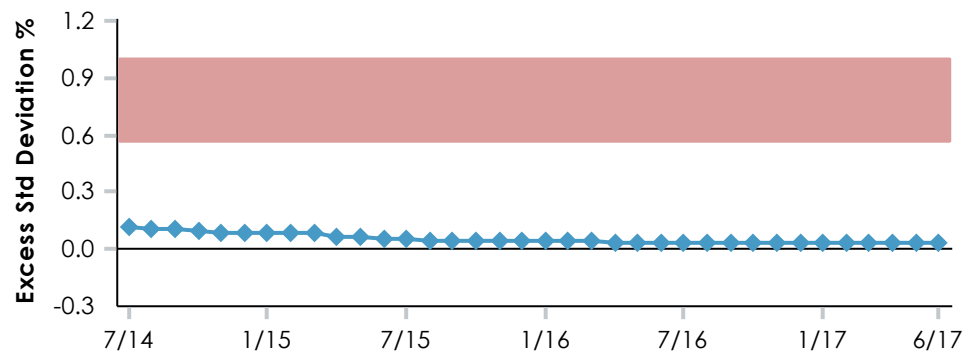


Short-Term Performance:

**Positive**

Probationary Performance = 0.40%

## Medium-term (Rolling 36 Months Tracking Error)

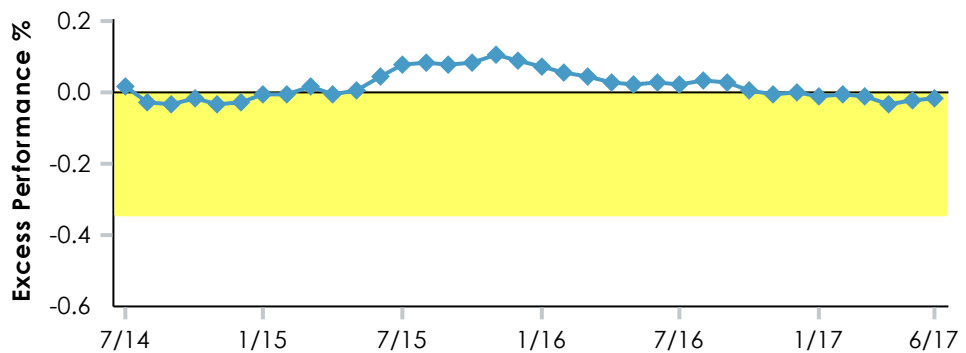


Medium-Term Performance:

**Positive**

Probationary Performance = 0.55%

## Long-term (Rolling 60 Months Excess Performance)



Long-Term Performance:

**Acceptable**

Probationary Performance

## Annualized Performance Results (Net of management fees)

	1 Quarter	1 Year	3 Years	5 Years	Since Inception	Inception Date
Vanguard Total Stock Market Index	3.0	18.5	9.1	14.5	6.5	12/01/2000
CRSP U.S. Total Market TR Index	3.0	18.5	9.1	14.6	N/A	

**Monitoring Status**

**Positive**

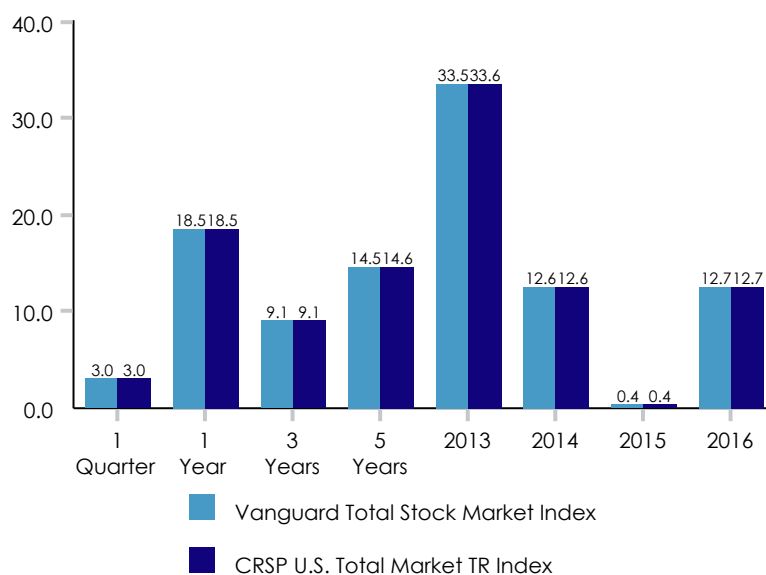
# Vanguard Total Stock Market Index

June 30, 2017

## Mutual Fund Info

Product Name : Vanguard TSM Idx;Adm (VTSAX)  
 Fund Family : Vanguard Group Inc  
 Ticker : VTSAX  
 Peer Group : IM U.S. Multi-Cap Core Equity (MF)  
 Benchmark : Russell 3000 Index  
 Fund Inception : 11/13/2000  
 Portfolio Manager : O'Reilly/Nejman  
 Total Assets : \$170,070 Million  
 Total Assets Date : 06/30/2017  
 Gross Expense : 0.0%  
 Net Expense : 0.0%  
 Turnover : 4%

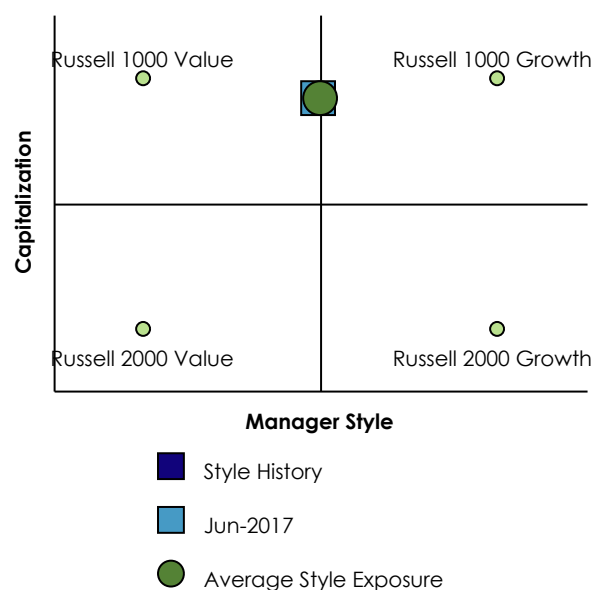
## Comparative Performance



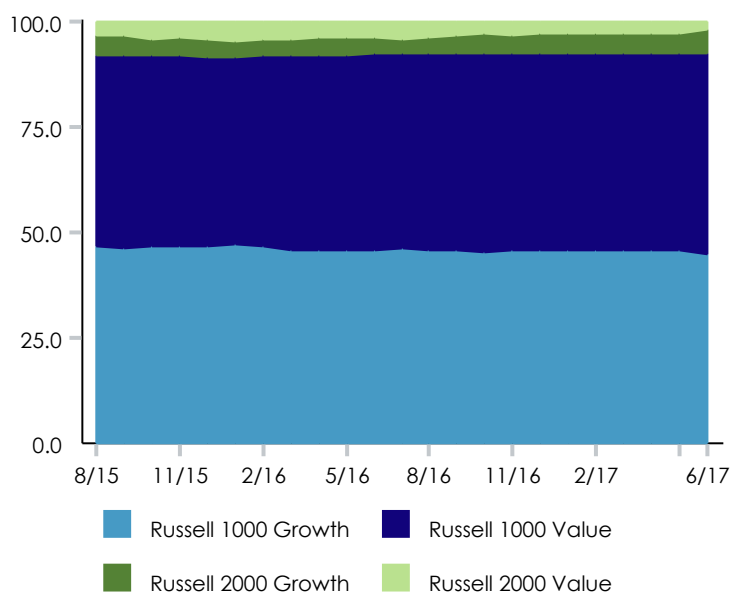
## Fund Investment Policy

The Fund seeks to track the performance of a benchmark index that measures the investment return of the overall stock market. The Fund employs a "passive management" approach designed to track the performance of the CRSP US Total Market Index.

## Style Map (3 Years)



## Style History (3 Years)



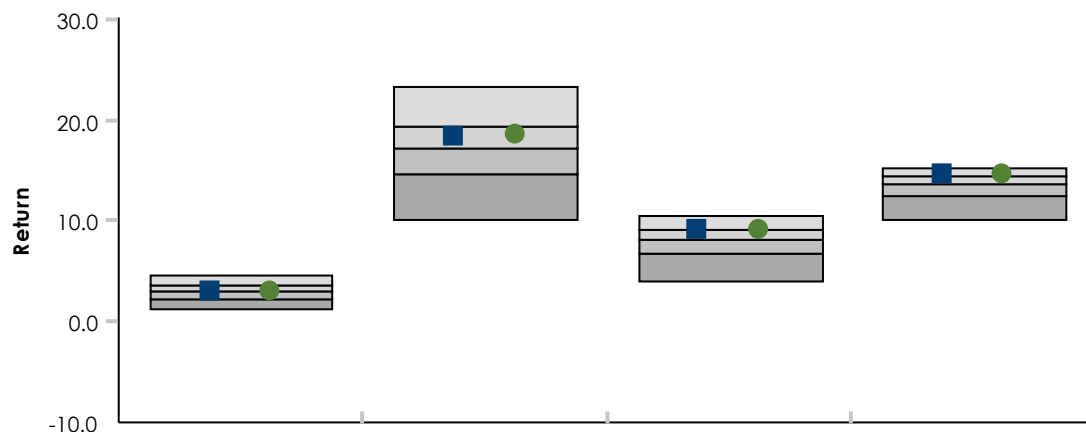
# Vanguard Total Stock Market Index

June 30, 2017

## Historical Statistics (3 Years)

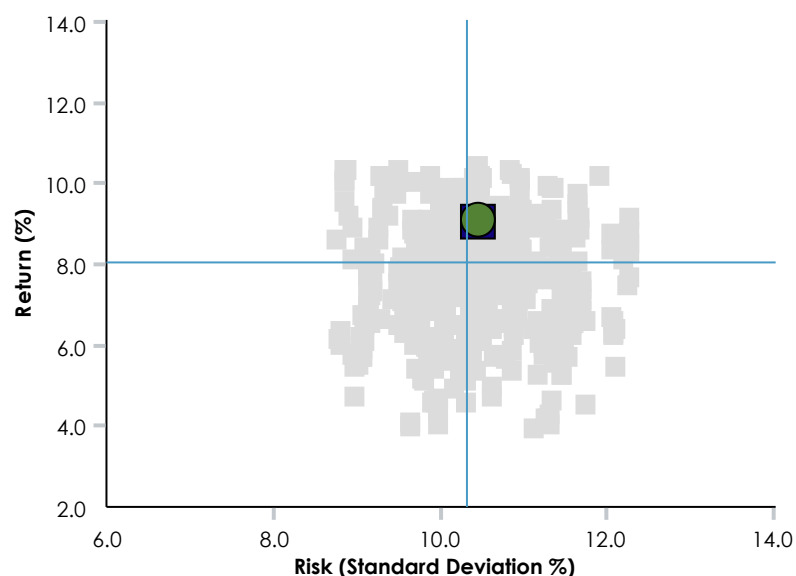
	Return	Standard Deviation	Sharpe Ratio	Alpha	Beta	R-Squared	Tracking Error	Information Ratio	Up Market Capture	Down Market Capture
Vanguard Total Stock Market Index	9.1	10.5	0.9	0.0	1.0	1.0	0.0	-0.5	100.0	100.1
CRSP U.S. Total Market TR Index	9.1	10.5	0.9	0.0	1.0	1.0	0.0	N/A	100.0	100.0
IM U.S. Large Cap Core Equity (MF) Median	8.1	10.3	0.8	-0.5	1.0	0.9	2.6	-0.3	93.7	96.9

## Peer Group Analysis



	1 Quarter	1 Year	3 Years	5 Years
■ Vanguard Total Stock Market Index	3.0 (50)	18.5 (36)	9.1 (26)	14.5 (21)
● CRSP U.S. Total Market TR Index	3.0 (49)	18.5 (36)	9.1 (26)	14.6 (21)
Median	3.0	17.2	8.1	13.6

## Peer Group Scattergram (3 Years)



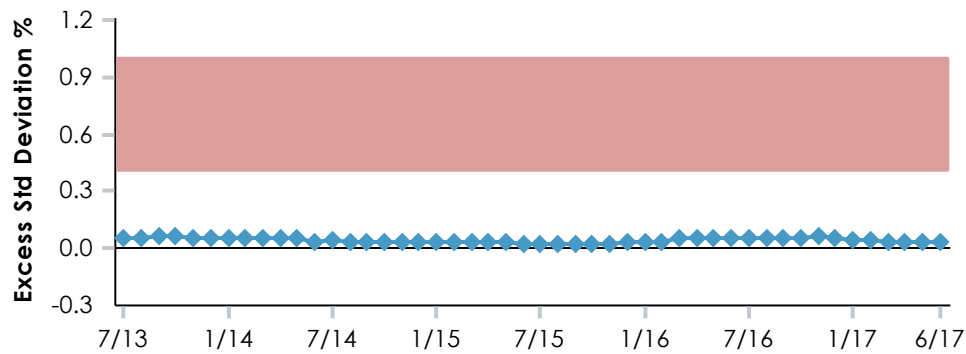
	Return	Standard Deviation
■ Vanguard Total Stock Market Index	9.1	10.5
● CRSP U.S. Total Market TR Index	9.1	10.5
— Median	8.1	10.3

## Performance Statistics (3 Years)

	Months	%
<b>Market Capture</b>		
Up Markets	25	100.0
Down Markets	11	100.1
<b>Batting Average</b>		
Up Markets	25	56.0
Down Markets	11	36.4
Overall	36	50.0

# SPDR S&P Mid Cap 400 ETF vs. S&P MidCap 400 Index

## Short-term (Rolling 12 Months Tracking Error)

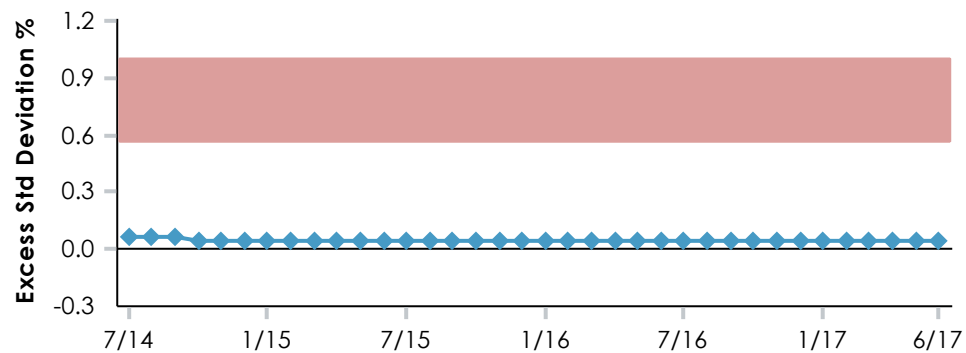


Short-Term Performance:

**Positive**

Probationary Performance = 0.40%

## Medium-term (Rolling 36 Months Tracking Error)

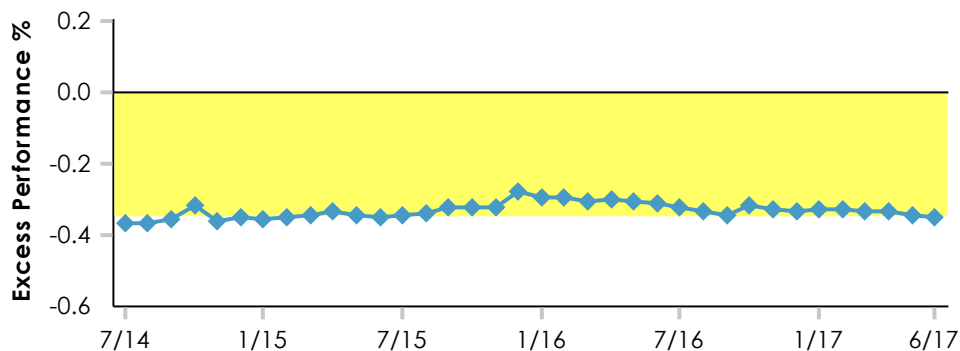


Medium-Term Performance:

**Positive**

Probationary Performance = 0.55%

## Long-term (Rolling 60 Months Excess Performance)



Long-Term Performance:

**Acceptable**

Probationary Performance

## Annualized Performance Results (Net of management fees)

	1 Quarter	1 Year	3 Years	5 Years	Since Inception	Inception Date
SPDR S&P Mid Cap 400 ETF	1.9	18.2	8.2	14.6	11.8	05/01/1995
S&P MidCap 400 Index	2.0	18.6	8.5	14.9	12.2	

**Monitoring Status**

**Positive**

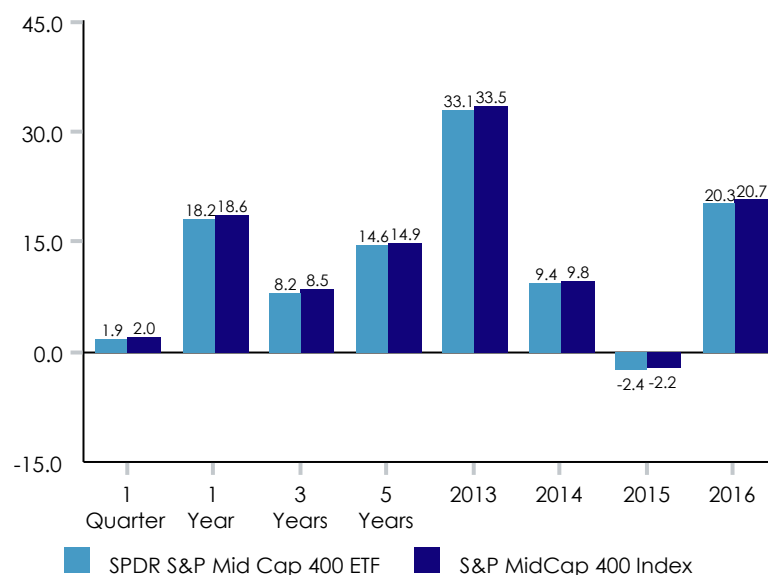
# SPDR S&P Mid Cap 400 ETF

June 30, 2017

## Mutual Fund Info

Product Name : SPDR S&P MidCap 400 ETF (MDY)  
 Fund Family : State Street Bank and Trust Company  
 Ticker : XMDYX  
 Peer Group : IM U.S. SMID Cap Core Equity (MF)  
 Benchmark : Russell 2500 Index  
 Fund Inception : 04/28/1995  
 Portfolio Manager : Team Managed  
 Total Assets : \$19,036 Million  
 Total Assets Date : 06/30/2017  
 Gross Expense : 0.3%  
 Net Expense : 0.3%  
 Turnover : 25%

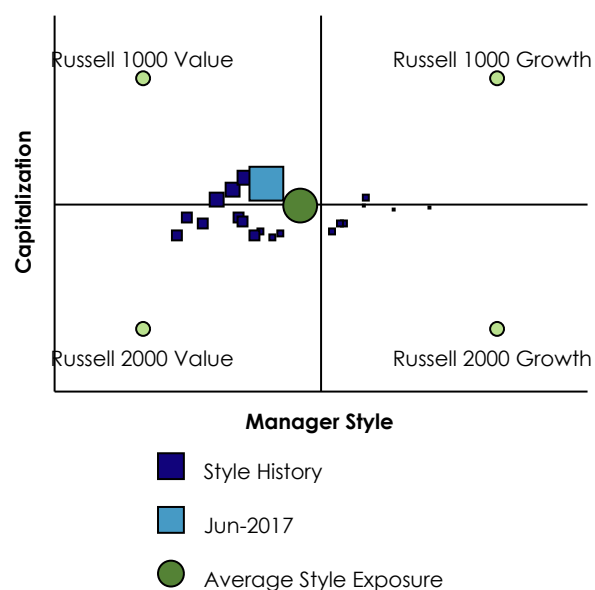
## Comparative Performance



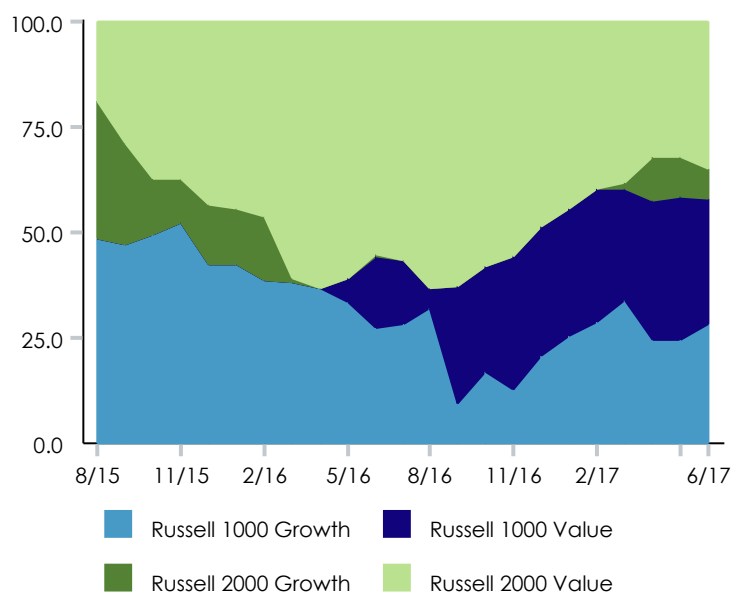
## Fund Investment Policy

The Trust seeks investment results that, before expenses, generally correspond to the price and yield performance of the component common stocks of the S&P MidCap 400 Index.

## Style Map (3 Years)



## Style History (3 Years)



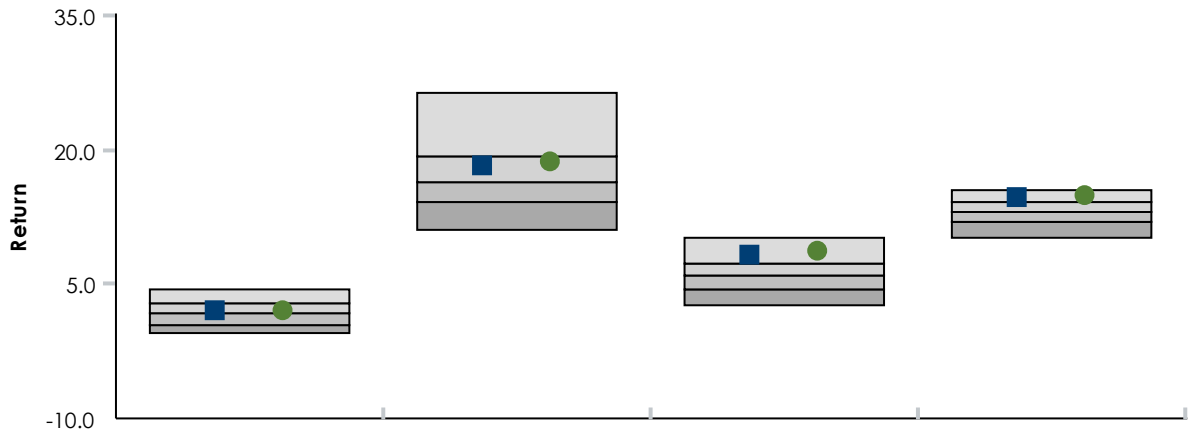
# SPDR S&P Mid Cap 400 ETF

June 30, 2017

## Historical Statistics (3 Years)

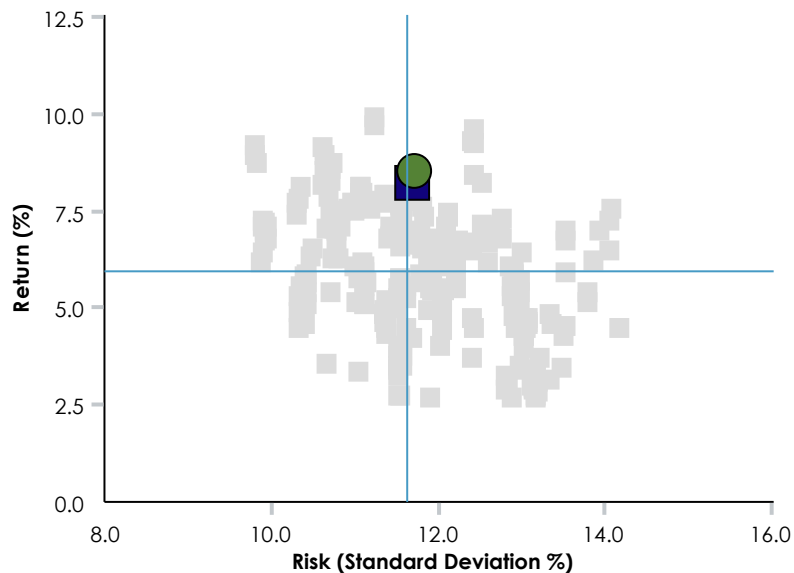
	Return	Standard Deviation	Sharpe Ratio	Alpha	Beta	R-Squared	Tracking Error	Information Ratio	Up Market Capture	Down Market Capture
SPDR S&P Mid Cap 400 ETF	8.2	11.7	0.7	-0.3	1.0	1.0	0.0	-7.2	98.9	100.6
S&P MidCap 400 Index	8.5	11.7	0.7	0.0	1.0	1.0	0.0	N/A	100.0	100.0
IM U.S. Mid Cap Core Equity (MF) Median	5.9	11.6	0.5	-2.0	0.9	0.9	3.8	-0.6	88.0	96.0

## Peer Group Analysis



	1 Quarter	1 Year	3 Years	5 Years
■ SPDR S&P Mid Cap 400 ETF	1.9 (48)	18.2 (31)	8.2 (12)	14.6 (18)
● S&P MidCap 400 Index	2.0 (47)	18.6 (28)	8.5 (11)	14.9 (10)
Median	1.8	16.3	5.9	13.0

## Peer Group Scattergram (3 Years)



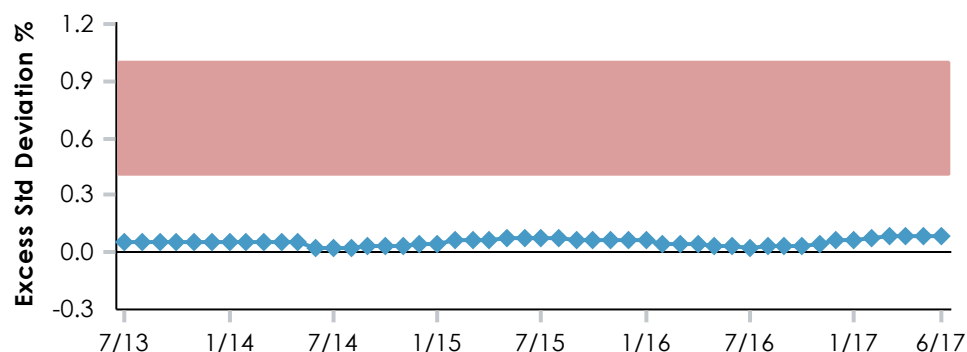
	Return	Standard Deviation
■ SPDR S&P Mid Cap 400 ETF	8.2	11.7
● S&P MidCap 400 Index	8.5	11.7
— Median	5.9	11.6

## Performance Statistics (3 Years)

	Months	%
<b>Market Capture</b>		
Up Markets	23	98.9
Down Markets	13	100.6
<b>Batting Average</b>		
Up Markets	23	0.0
Down Markets	13	7.7
Overall	36	2.8

# iShares Core S&P Small Cap ETF vs. S&P SmallCap 600

## Short-term (Rolling 12 Months Tracking Error)

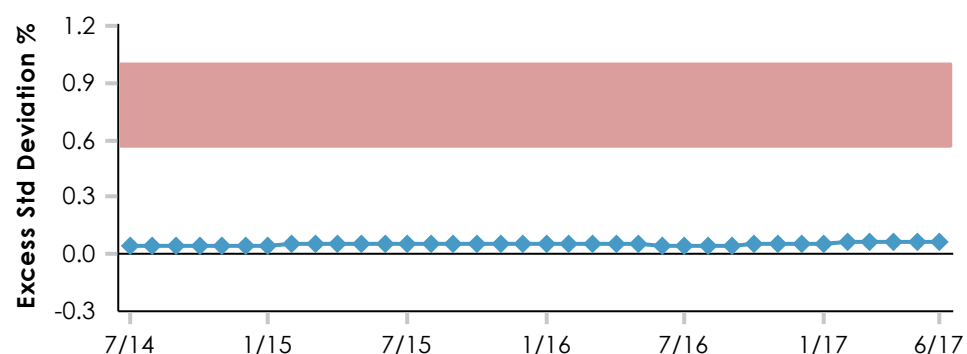


Short-Term Performance:

**Positive**

Probationary Performance = 0.40%

## Medium-term (Rolling 36 Months Tracking Error)

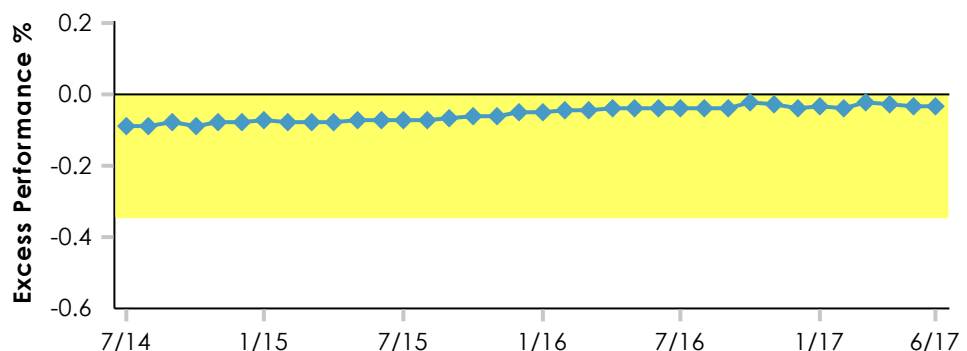


Medium-Term Performance:

**Positive**

Probationary Performance = 0.55%

## Long-term (Rolling 60 Months Excess Performance)



Long-Term Performance:

**Acceptable**

Probationary Performance

## Annualized Performance Results (Net of management fees)

	1 Quarter	1 Year	3 Years	5 Years	Since Inception	Inception Date
iShares Core S&P Small Cap ETF	1.7	22.4	9.3	15.4	10.0	06/01/2000
S&P SmallCap 600	1.7	22.5	9.3	15.5	10.1	

Monitoring Status

**Positive**



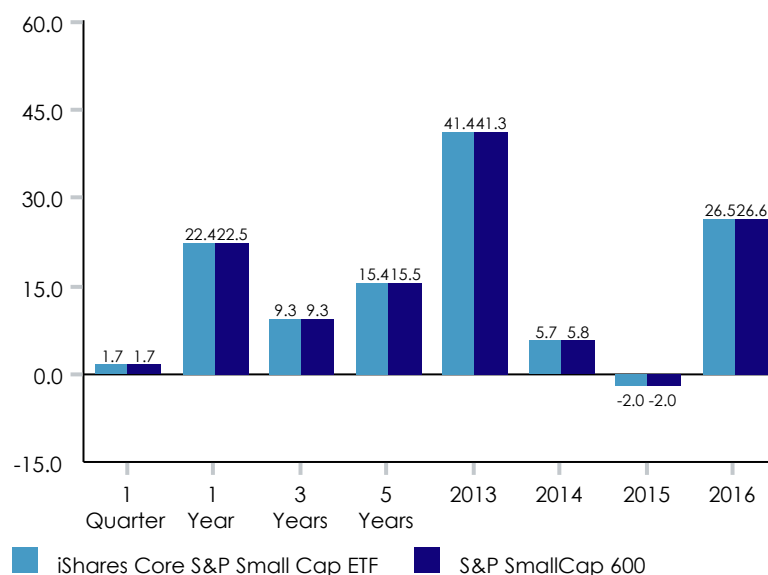
# iShares Core S&P Small Cap ETF

June 30, 2017

## Mutual Fund Info

Product Name : iShares:Core S&P Sm-Cp (IJR)  
 Fund Family : BlackRock Fund Advisors  
 Ticker : IJR  
 Peer Group : IM U.S. Small Cap Core Equity (MF)  
 Benchmark : Russell 2000 Index  
 Fund Inception : 05/22/2000  
 Portfolio Manager : Team Managed  
 Total Assets : \$30,382 Million  
 Total Assets Date : 06/30/2017  
 Gross Expense : 0.1%  
 Net Expense : 0.1%  
 Turnover : 13%

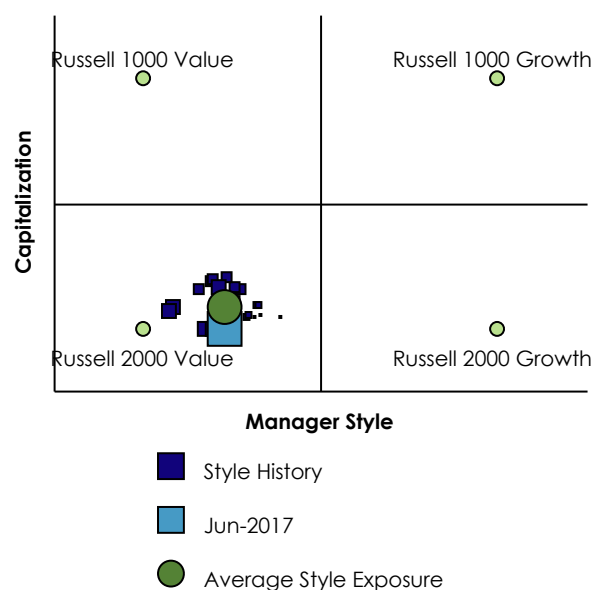
## Comparative Performance



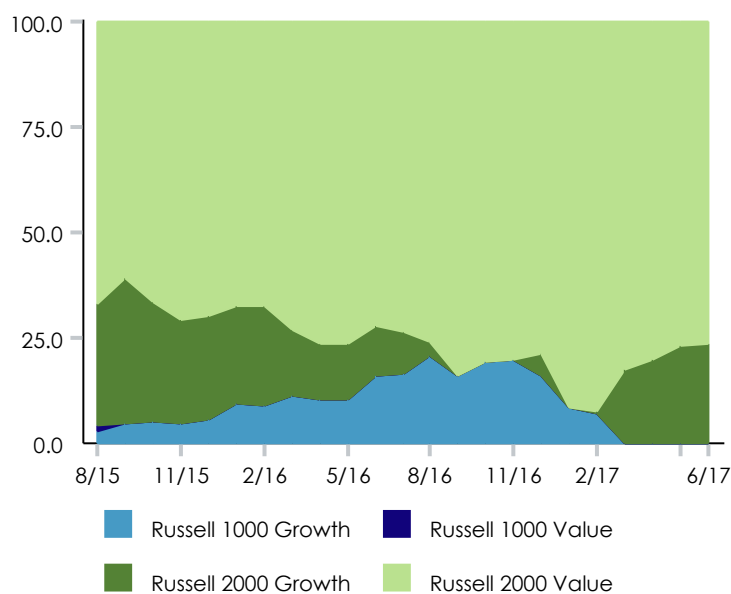
## Fund Investment Policy

The Fund seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the S&P SmallCap 600 Index. The Fund uses a replication strategy to try to track the Index, which includes approximately 2.5% of the market capitalization of the US equity market.

## Style Map (3 Years)



## Style History (3 Years)



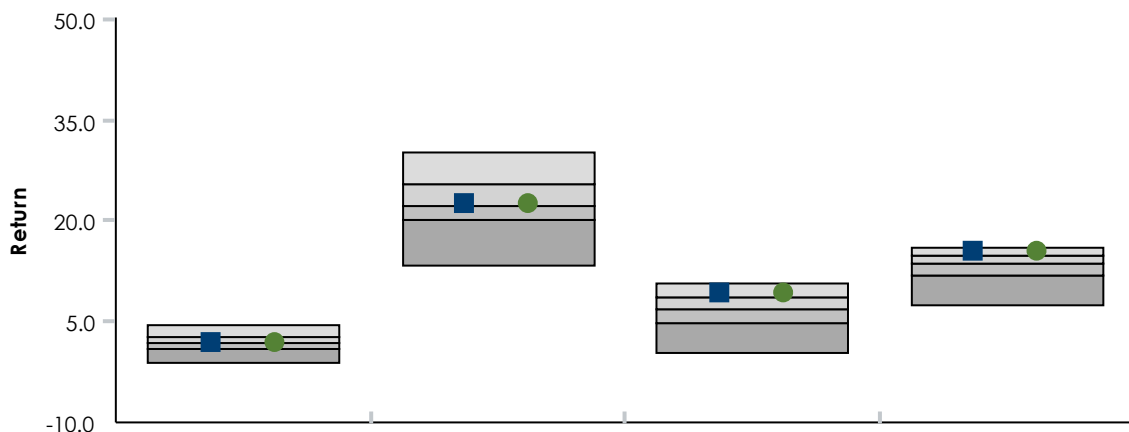
# iShares Core S&P Small Cap ETF

June 30, 2017

## Historical Statistics (3 Years)

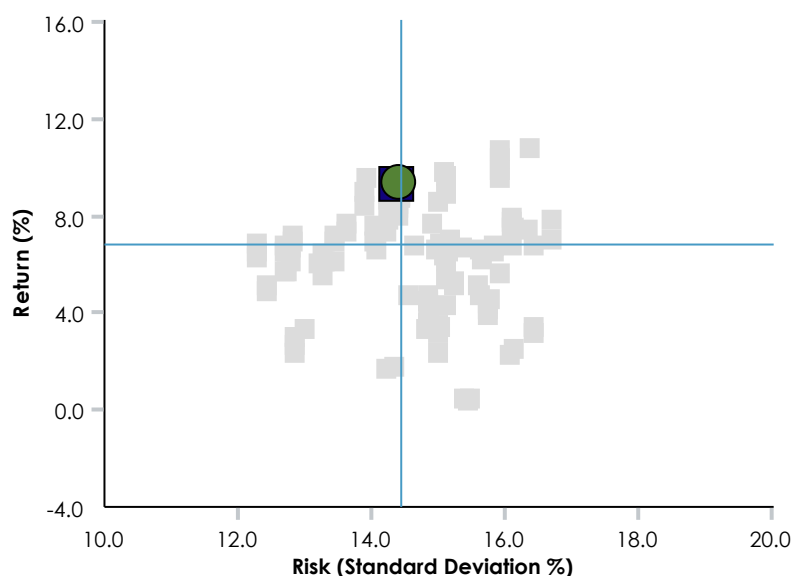
	Return	Standard Deviation	Sharpe Ratio	Alpha	Beta	R-Squared	Tracking Error	Information Ratio	Up Market Capture	Down Market Capture
iShares Core S&P Small Cap ETF	9.3	14.4	0.7	0.0	1.0	1.0	0.1	-0.6	99.8	99.9
S&P SmallCap 600	9.3	14.4	0.7	0.0	1.0	1.0	0.0	N/A	100.0	100.0
IM U.S. Small Cap Core Equity (MF) Median	6.8	14.5	0.5	-1.8	1.0	0.9	4.5	-0.7	95.4	103.5

## Peer Group Analysis



	1 Quarter	1 Year	3 Years	5 Years
■ iShares Core S&P Small Cap ETF	1.7 (52)	22.4 (45)	9.3 (14)	15.4 (10)
● S&P SmallCap 600	1.7 (50)	22.5 (45)	9.3 (13)	15.5 (9)
Median	1.7	22.1	6.8	13.7

## Peer Group Scattergram (3 Years)



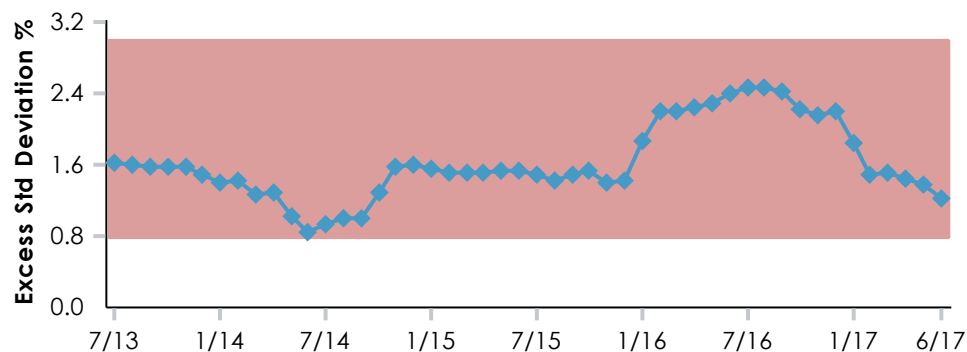
	Return	Standard Deviation
■ iShares Core S&P Small Cap ETF	9.3	14.4
● S&P SmallCap 600	9.3	14.4
— Median	6.8	14.5

## Performance Statistics (3 Years)

	Months	%
<b>Market Capture</b>		
Up Markets	22	99.8
Down Markets	14	99.9
<b>Batting Average</b>		
Up Markets	22	40.9
Down Markets	14	50.0
Overall	36	44.4

# Vanguard Total Intl. Stock Index vs. FTSE Global ex USA All Cap Index (Net)

## Short-term (Rolling 12 Months Tracking Error)

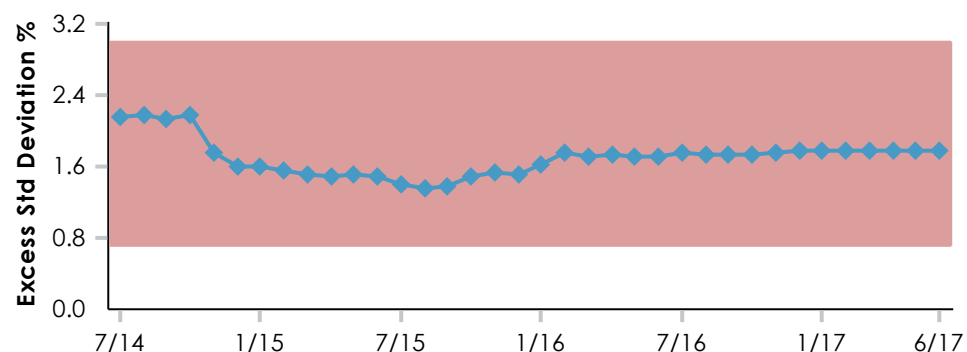


Short-Term Performance:

**Caution**

Probationary Performance = 0.75%

## Medium-term (Rolling 36 Months Tracking Error)

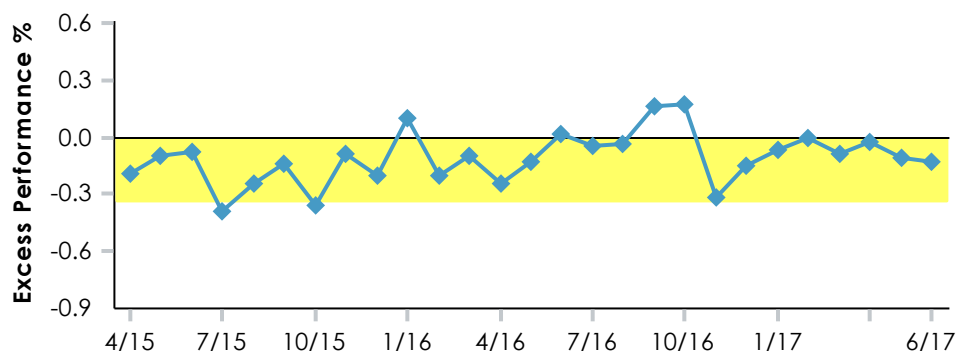


Medium-Term Performance:

**Caution**

Probationary Performance = 0.55%

## Long-term (Rolling 60 Months Excess Performance)



Long-Term Performance:

**Acceptable**

Probationary Performance

## Annualized Performance Results (Net of management fees)

	1 Quarter	1 Year	3 Years	5 Years	Since Inception	Inception Date
Vanguard Total Intl. Stock Index	5.8	20.1	1.3	7.7	5.1	05/01/2010
FTSE Global ex USA All Cap Index (Net)	5.7	20.4	1.4	7.8	5.2	

**Monitoring Status**

**Caution**

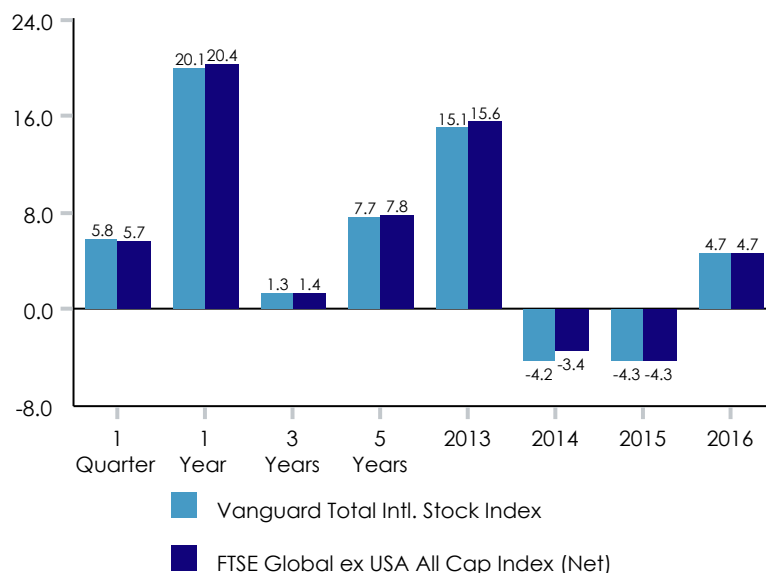
# Vanguard Total Intl. Stock Index

June 30, 2017

## Mutual Fund Info

Product Name : Vanguard Tot I Stk;Adm (VTIAX)  
 Fund Family : Vanguard Group Inc  
 Ticker : VTIAX  
 Peer Group : IM International Multi-Cap Core Equity (MF)  
 Benchmark : MSCI EAFE IMI  
 Fund Inception : 11/29/2010  
 Portfolio Manager : Perre/Louie  
 Total Assets : \$58,090 Million  
 Total Assets Date : 06/30/2017  
 Gross Expense : 0.1%  
 Net Expense : 0.1%  
 Turnover : 3%

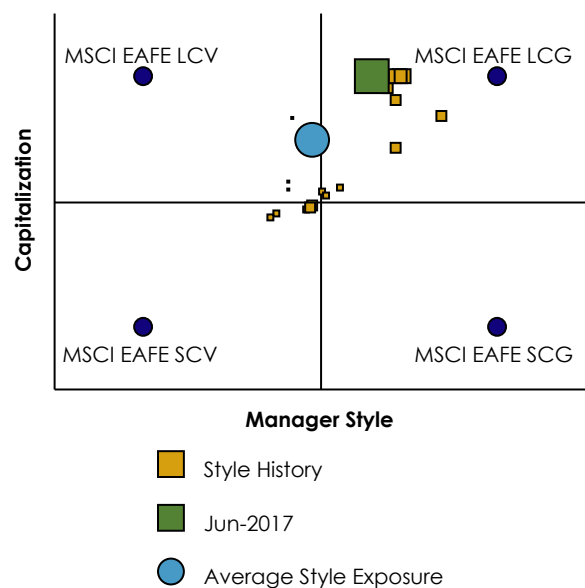
## Comparative Performance



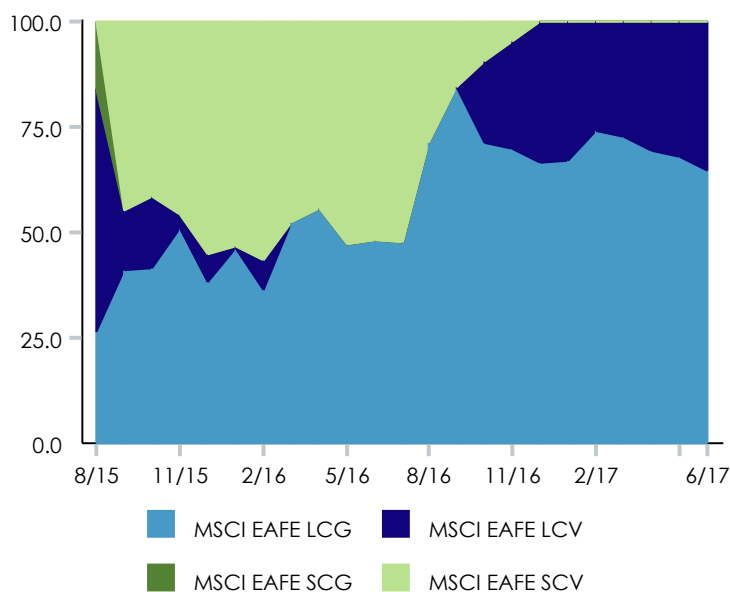
## Fund Investment Policy

The Fund seeks to track the performance of the FTSE Global All Cap ex US Index, a free-float-adjusted market capitalization weighted index designed to measure equity market performance of companies located in developed and emerging markets, excluding the United States.

## Style Map (3 Years)



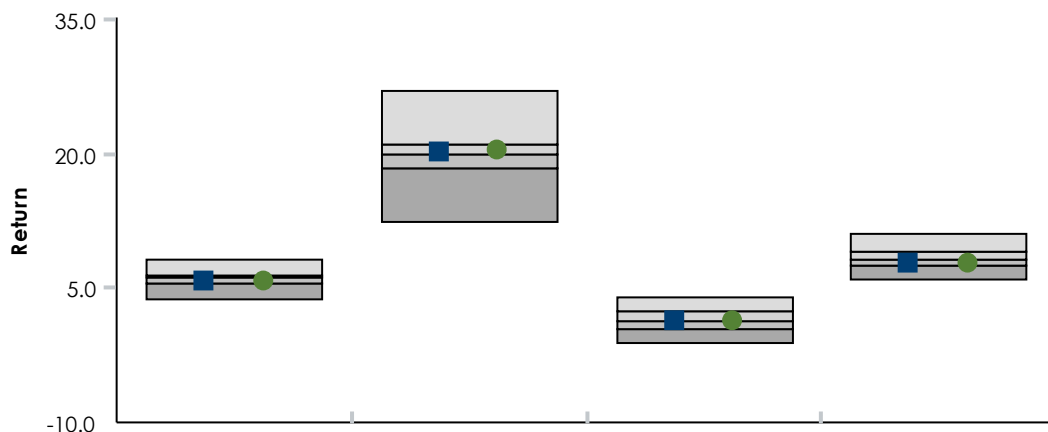
## Style History (3 Years)



## Historical Statistics (3 Years)

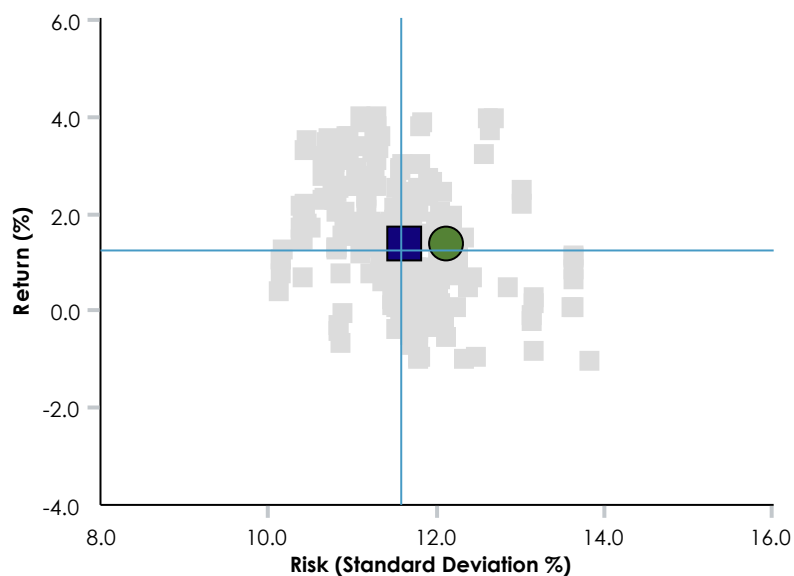
	Return	Standard Deviation	Sharpe Ratio	Alpha	Beta	R-Squared	Tracking Error	Information Ratio	Up Market Capture	Down Market Capture
Vanguard Total Intl. Stock Index	1.3	11.6	0.2	0.0	0.9	1.0	1.8	0.0	96.0	96.0
FTSE Global ex USA All Cap Index (Net)	1.4	12.1	0.2	0.0	1.0	1.0	0.0	N/A	100.0	100.0
IM International Multi-Cap Core Equity (MF) Median	1.2	11.6	0.1	-0.1	0.9	0.9	3.9	-0.1	92.4	93.4

## Peer Group Analysis



	1 Quarter	1 Year	3 Years	5 Years
■ Vanguard Total Intl. Stock Index	5.8 (68)	20.1 (44)	1.3 (46)	7.7 (67)
● FTSE Global ex USA All Cap Index (Net)	5.7 (73)	20.4 (35)	1.4 (45)	7.8 (62)
Median	6.2	19.8	1.2	8.3

## Peer Group Scattergram (3 Years)



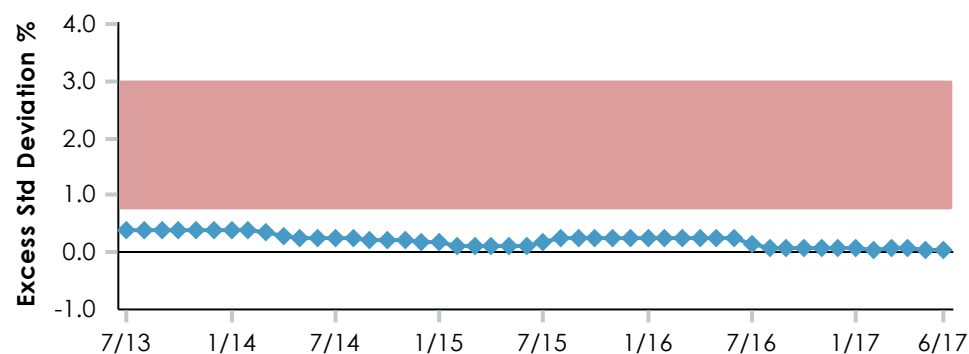
## Performance Statistics (3 Years)

	Months	%
<b>Market Capture</b>		
Up Markets	17	96.0
Down Markets	19	96.0
<b>Batting Average</b>		
Up Markets	17	41.2
Down Markets	19	52.6
Overall	36	47.2

	Return	Standard Deviation
■ Vanguard Total Intl. Stock Index	1.3	11.6
● FTSE Global ex USA All Cap Index (Net)	1.4	12.1
— Median	1.2	11.6

# iShares MSCI EM ETF vs. MSCI Emerging Markets (Net) Index

## Short-term (Rolling 12 Months Tracking Error)

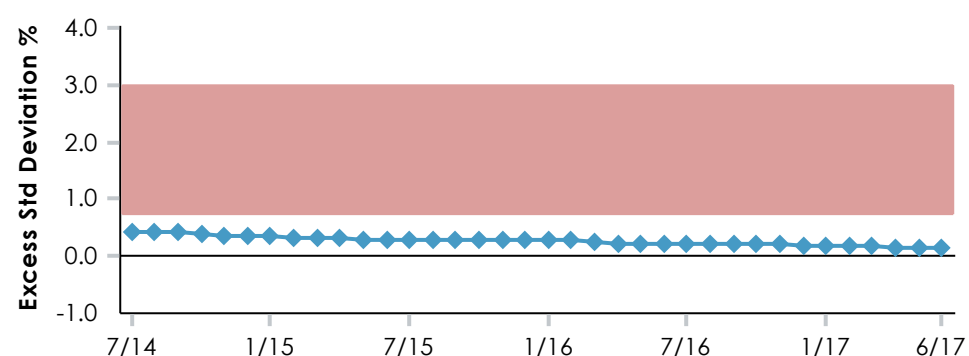


Short-Term Performance:

**Positive**

Probationary Performance = 0.75%

## Medium-term (Rolling 36 Months Tracking Error)

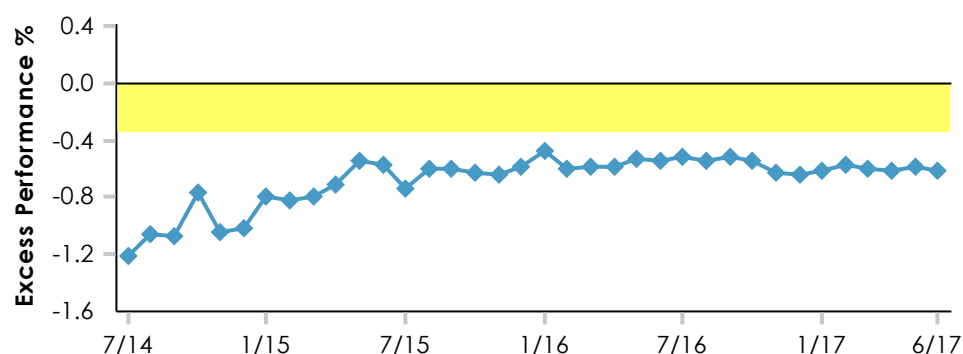


Medium-Term Performance:

**Positive**

Probationary Performance = 0.55%

## Long-term (Rolling 60 Months Excess Performance)



Long-Term Performance:

**Caution**

Probationary Performance

## Annualized Performance Results (Net of management fees)

	1 Quarter	1 Year	3 Years	5 Years	Since Inception	Inception Date
iShares MSCI EM ETF	6.1	23.0	0.5	3.3	11.2	05/01/2003
MSCI Emerging Markets (Net) Index	6.3	23.7	1.1	4.0	11.7	

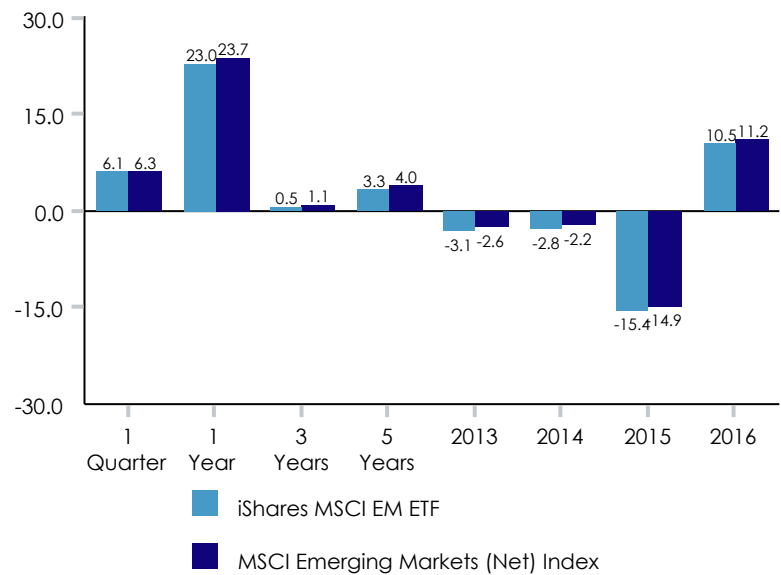
Monitoring Status

**Positive**

### Mutual Fund Info

Product Name : iShares:MSCI Em Mkts (EEM)  
 Fund Family : BlackRock Fund Advisors  
 Ticker : EEM  
 Peer Group : IM Emerging Markets Equity (MF)  
 Benchmark : MSCI Emerging Markets Index  
 Fund Inception : 04/07/2003  
 Portfolio Manager : Team Managed  
 Total Assets : \$32,283 Million  
 Total Assets Date : 06/30/2017  
 Gross Expense : 0.7%  
 Net Expense : 0.7%  
 Turnover : 23%

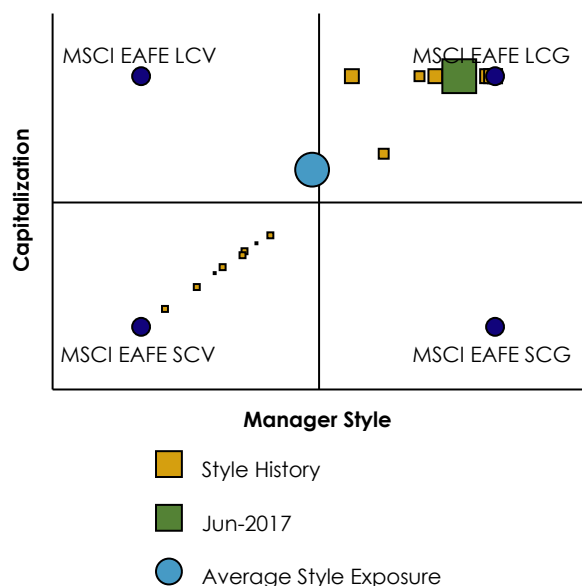
### Comparative Performance



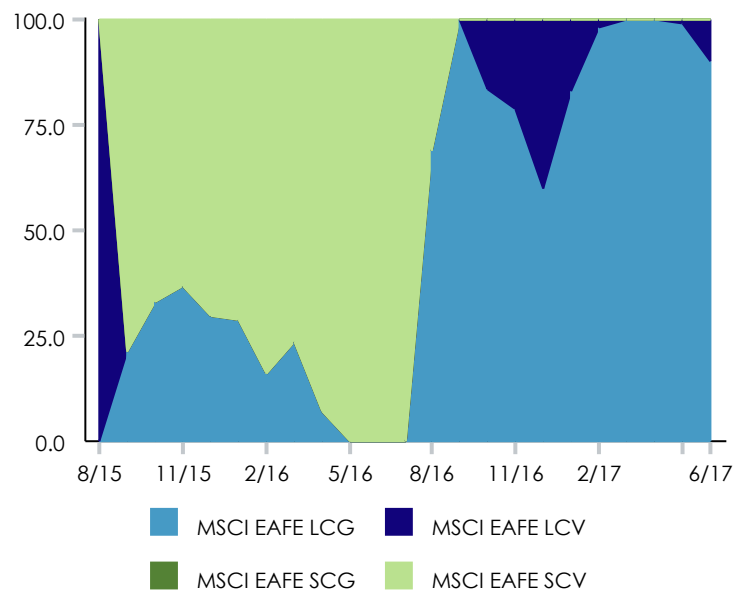
### Fund Investment Policy

The Fund seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the MSCI Emerging Markets Free Index. The Underlying Index is designed to measure equity market performance in the global emerging markets.

### Style Map (3 Years)



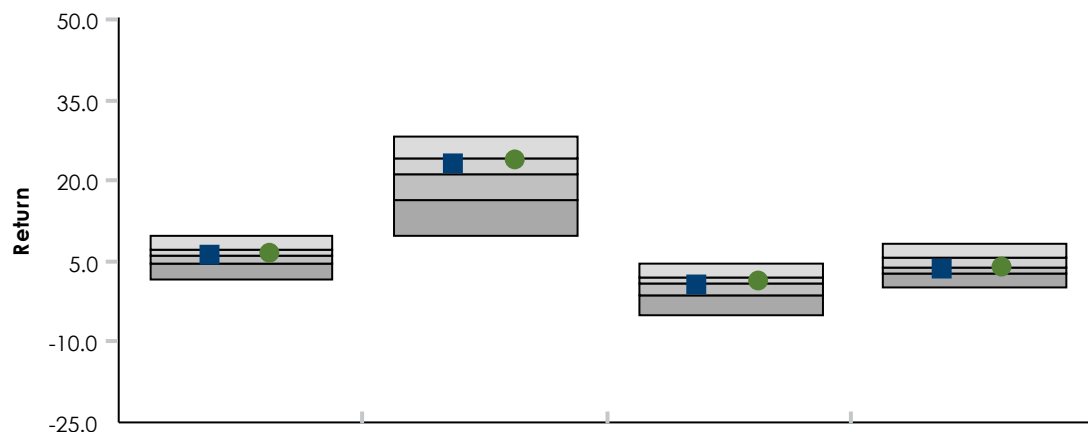
### Style History (3 Years)



## Historical Statistics (3 Years)

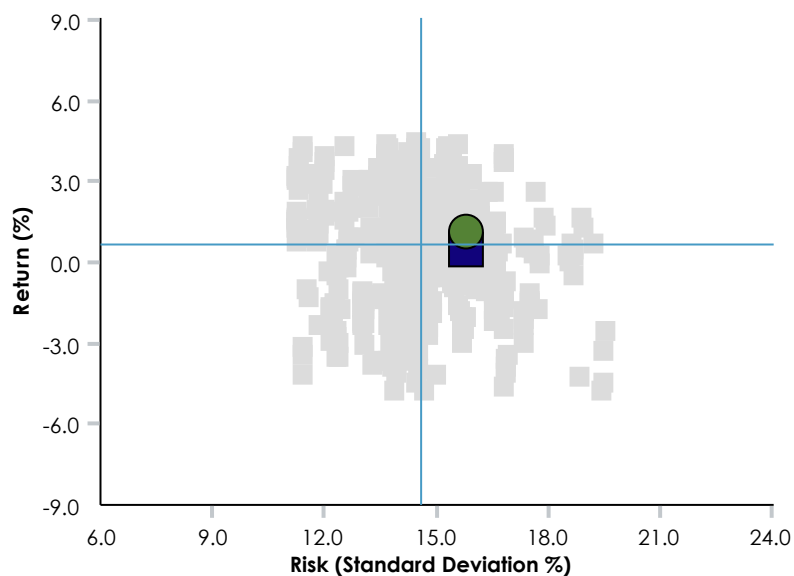
	Return	Standard Deviation	Sharpe Ratio	Alpha	Beta	R-Squared	Tracking Error	Information Ratio	Up Market Capture	Down Market Capture
iShares MSCI EM ETF	0.5	15.8	0.1	-0.6	1.0	1.0	0.2	-3.8	98.5	101.2
MSCI Emerging Markets (Net) Index	1.1	15.8	0.1	0.0	1.0	1.0	0.0	N/A	100.0	100.0
IM Emerging Markets Equity (MF) Median	0.7	14.6	0.1	-0.3	0.9	0.9	5.2	-0.1	88.2	91.3

## Peer Group Analysis



	1 Quarter	1 Year	3 Years	5 Years
■ iShares MSCI EM ETF	6.1 (45)	23.0 (35)	0.5 (56)	3.3 (61)
● MSCI Emerging Markets (Net) Index	6.3 (40)	23.7 (29)	1.1 (43)	4.0 (48)
Median	6.0	21.1	0.7	3.8

## Peer Group Scattergram (3 Years)



	Return	Standard Deviation
■ iShares MSCI EM ETF	0.5	15.8
● MSCI Emerging Markets (Net) Index	1.1	15.8
— Median	0.7	14.6

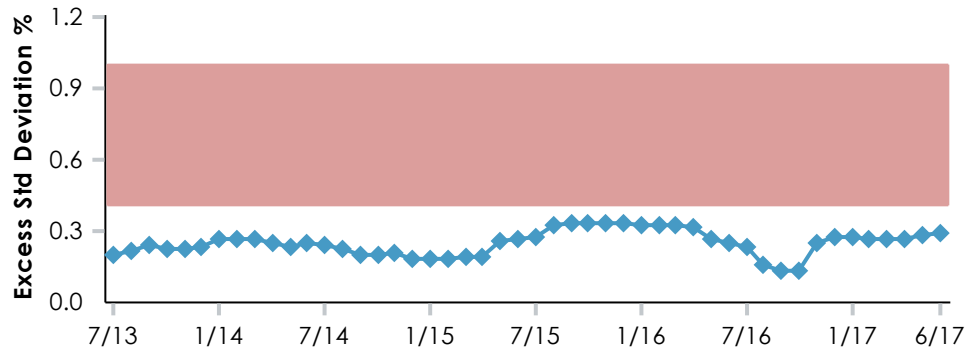
## Performance Statistics (3 Years)

	Months	%
<b>Market Capture</b>		
Up Markets	21	98.5
Down Markets	15	101.2
<b>Batting Average</b>		
Up Markets	21	4.8
Down Markets	15	13.3
Overall	36	8.3



# Vanguard Total Bond Market Index vs. Blmbg. Barc. U.S. Aggregate Float Adjusted

## Short-term (Rolling 12 Months Tracking Error)

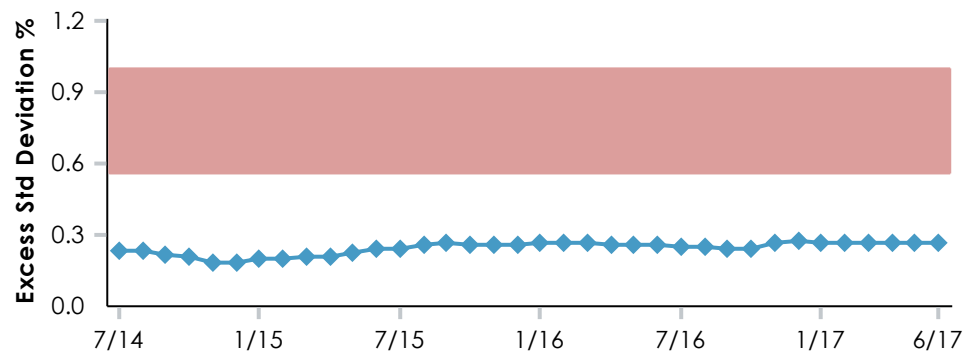


Short-Term Performance:

**Positive**

Probationary Performance = 0.40%

## Medium-term (Rolling 36 Months Tracking Error)

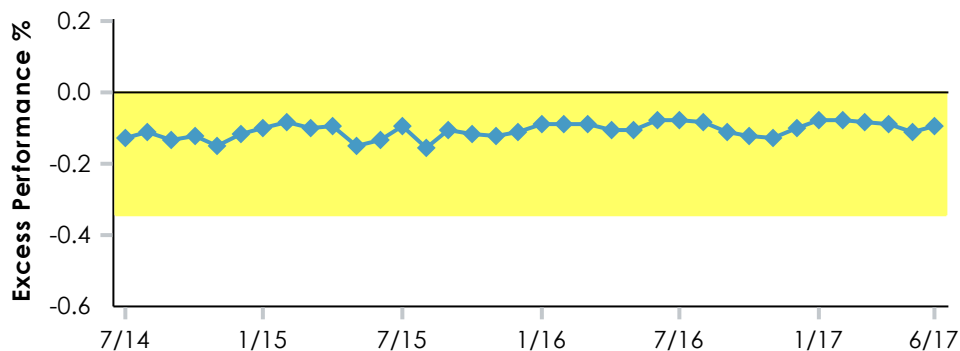


Medium-Term Performance:

**Positive**

Probationary Performance = 0.55%

## Long-term (Rolling 60 Months Excess Performance)



Long-Term Performance:

**Acceptable**

Probationary Performance = -0.35%

## Annualized Performance Results (Net of management fees)

	1 Quarter	1 Year	3 Years	5 Years	Since Inception	Inception Date
Vanguard Total Bond Market Index	1.5	-0.4	2.4	2.1	4.4	12/01/2001
Blmbg. Barc. U.S. Aggregate Float Adjusted	1.5	-0.3	2.5	2.2	N/A	

**Monitoring Status**

**Positive**

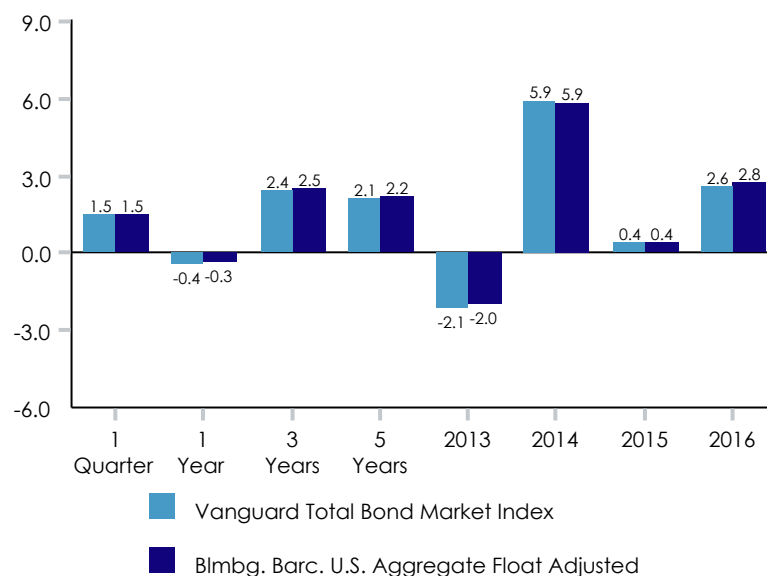
# Vanguard Total Bond Market Index

June 30, 2017

## Mutual Fund Info

Product Name : Vanguard Tot Bd;Adm (VBTX)  
 Fund Family : Vanguard Group Inc  
 Ticker : VBTX  
 Peer Group : IM U.S. Broad Market Core Fixed Income (MF)  
 Benchmark : Bloomberg Barclays U.S. Aggregate  
 Fund Inception : 11/12/2001  
 Portfolio Manager : Joshua C. Barrickman  
 Total Assets : \$76,966 Million  
 Total Assets Date : 06/30/2017  
 Gross Expense : 0.1%  
 Net Expense : 0.1%  
 Turnover : 61%

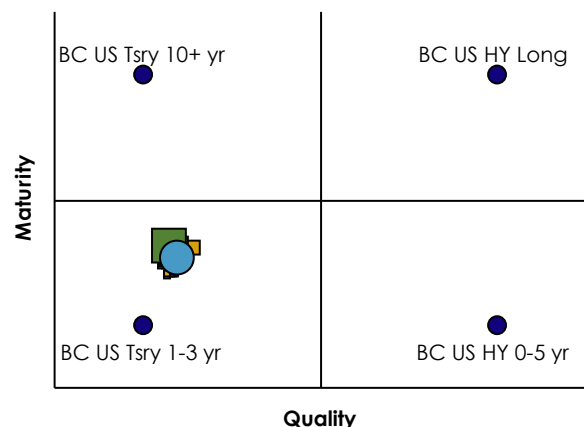
## Comparative Performance



## Fund Investment Policy

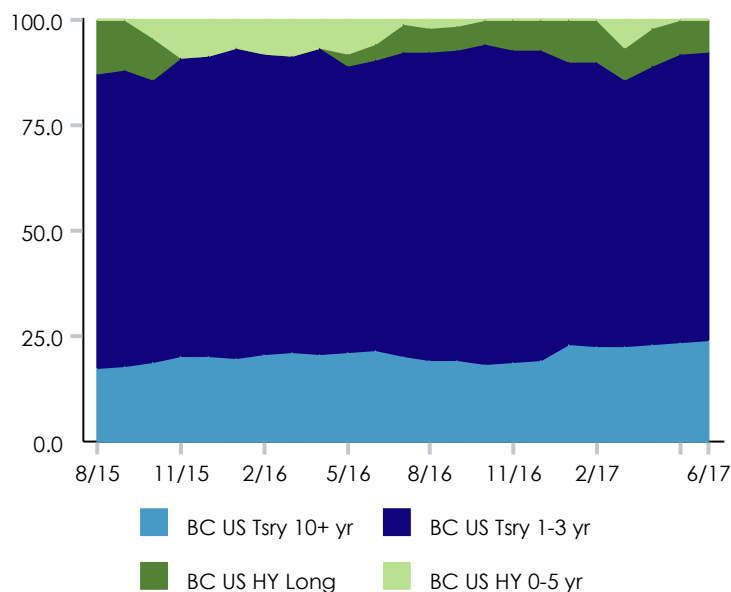
The Fund seeks to generate returns that track the performance of the Barclays U.S. Aggregate Float Adjusted Index, and will maintain a dollar-weighted average maturity consistent with that of the index. The Index measures investment-grade, taxable fixed income securities in the U.S.

## Style Map (3 Years)



■ Style History  
■ Jun-2017  
● Average Style Exposure

## Style History (3 Years)



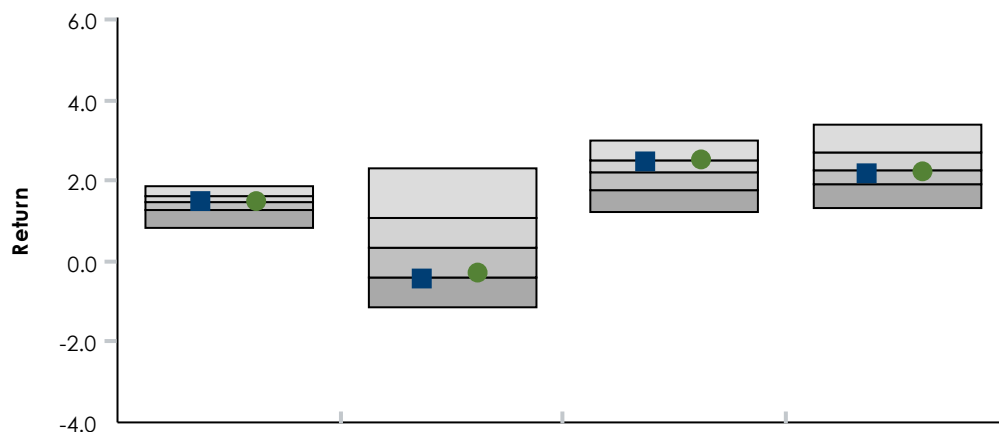
# Vanguard Total Bond Market Index

June 30, 2017

## Historical Statistics (3 Years)

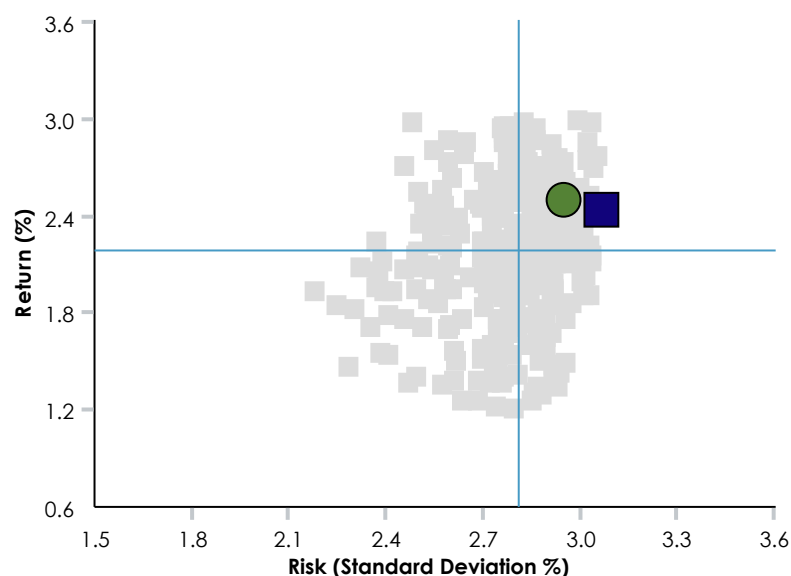
	Return	Standard Deviation	Sharpe Ratio	Alpha	Beta	R-Squared	Tracking Error	Information Ratio	Up Market Capture	Down Market Capture
Vanguard Total Bond Market Index	2.4	3.1	0.7	-0.1	1.0	1.0	0.3	-0.2	101.8	105.4
Blmbg. Barc. U.S. Aggregate Float Adjusted	2.5	3.0	0.8	0.0	1.0	1.0	0.0	N/A	100.0	100.0
IM U.S. Broad Market Core Fixed Income (MF) Median	2.2	2.8	0.7	-0.1	0.9	0.9	0.7	-0.4	92.4	95.5

## Peer Group Analysis



	1 Quarter	1 Year	3 Years	5 Years
■ Vanguard Total Bond Market Index	1.5 (46)	-0.4 (77)	2.4 (33)	2.1 (60)
● Blmbg. Barc. U.S. Aggregate Float Adjusted	1.5 (45)	-0.3 (73)	2.5 (26)	2.2 (53)
Median	1.5	0.3	2.2	2.3

## Peer Group Scattergram (3 Years)



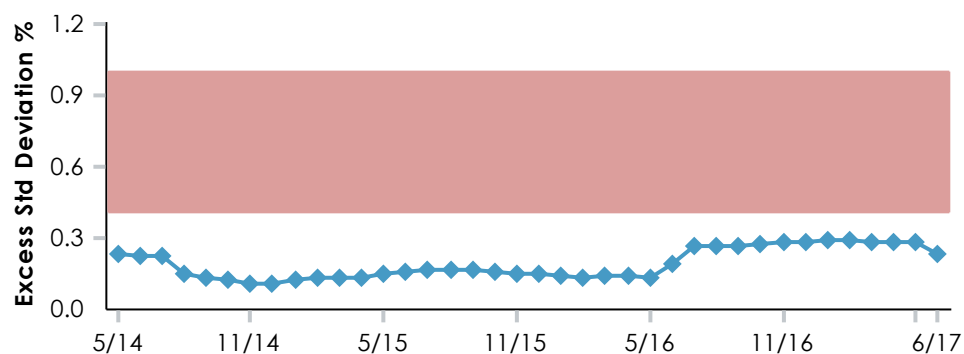
	Return	Standard Deviation
■ Vanguard Total Bond Market Index	2.4	3.1
● Blmbg. Barc. U.S. Aggregate Float Adjusted	2.5	3.0
— Median	2.2	2.8

## Performance Statistics (3 Years)

	Months	%
<b>Market Capture</b>		
Up Markets	21	101.8
Down Markets	15	105.4
<b>Batting Average</b>		
Up Markets	21	52.4
Down Markets	15	46.7
Overall	36	50.0

# Vanguard Total Intl. Bond Index vs. Bbg. BC Gbl Agg ex-USD Flt Adj RIC Cpd (H)

## Short-term (Rolling 12 Months Tracking Error)

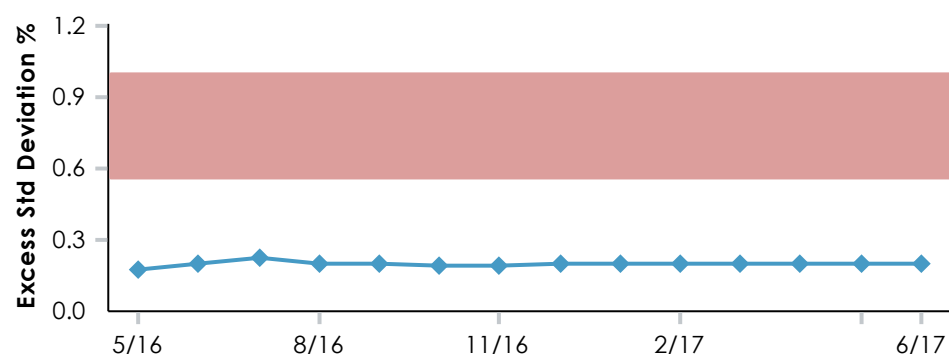


Short-Term Performance:

**Positive**

Probationary Performance = 0.40%

## Medium-term (Rolling 36 Months Tracking Error)



Medium-Term Performance:

**Positive**

Probationary Performance = 0.55%

## Long-term (Rolling 60 Months Excess Performance)

No data found.

Long-Term Performance:

**Unavailable**

Probationary Performance = -0.35%

## Annualized Performance Results (Net of management fees)

	1 Quarter	1 Year	3 Years	5 Years	Since Inception	Inception Date
Vanguard Total Intl. Bond Index	0.6	-0.6	3.6	N/A	3.6	06/01/2013
Bbg. BC Gbl Agg ex-USD Flt Adj RIC Cpd (H)	0.7	-0.5	3.8	N/A	3.9	

Monitoring Status

**Positive**

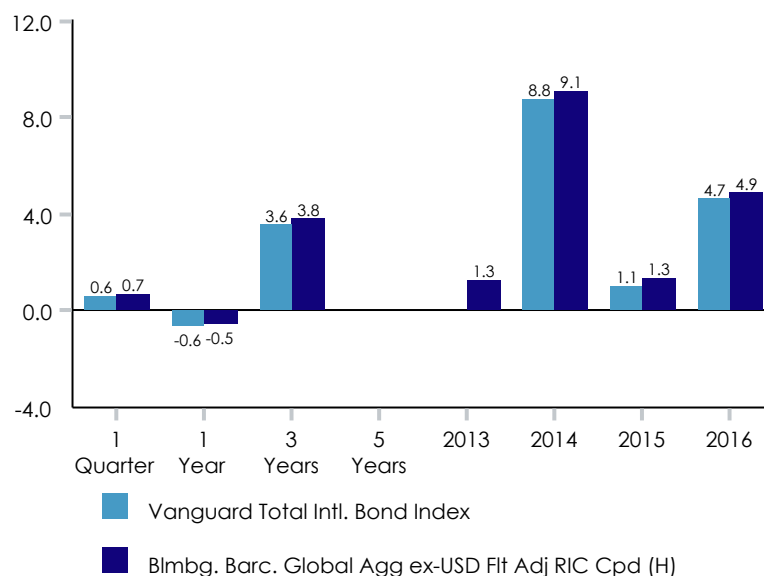
# Vanguard Total Intl. Bond Index

June 30, 2017

## Mutual Fund Info

Product Name : Vanguard Tot Intl B;Adm (VTABX)  
 Fund Family : Vanguard Group Inc  
 Ticker : VTABX  
 Peer Group : IM International Fixed Income (MF)  
 Benchmark : Citigroup Non-U.S. World Government Bond  
 Fund Inception : 05/31/2013  
 Portfolio Manager : Barrickman/Wrazen  
 Total Assets : \$32,595 Million  
 Total Assets Date : 06/30/2017  
 Gross Expense : 0.1%  
 Net Expense : 0.1%  
 Turnover : 20%

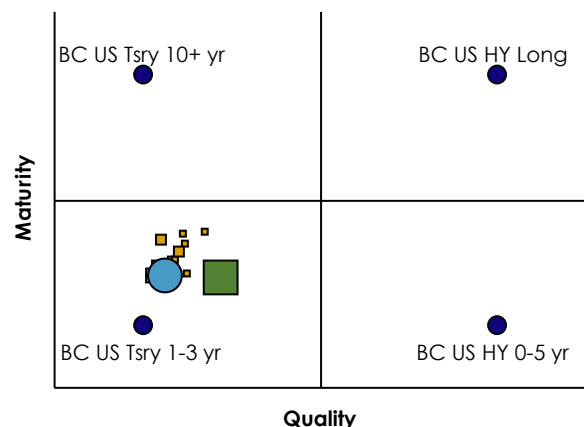
## Comparative Performance



## Fund Investment Policy

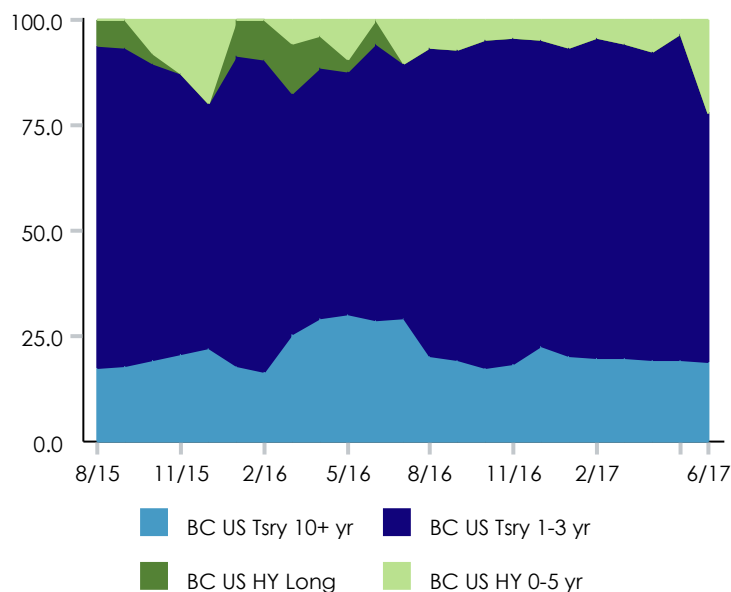
The Fund seeks to track the performance of a benchmark index that measures the investment return of investment-grade bonds issued outside the United States. The Fund is designed to track the performance of the Barclays Capital Global Aggregate ex-USD Float-Adjusted Index.

## Style Map (3 Years)



- Style History
- Jun-2017
- Average Style Exposure

## Style History (3 Years)



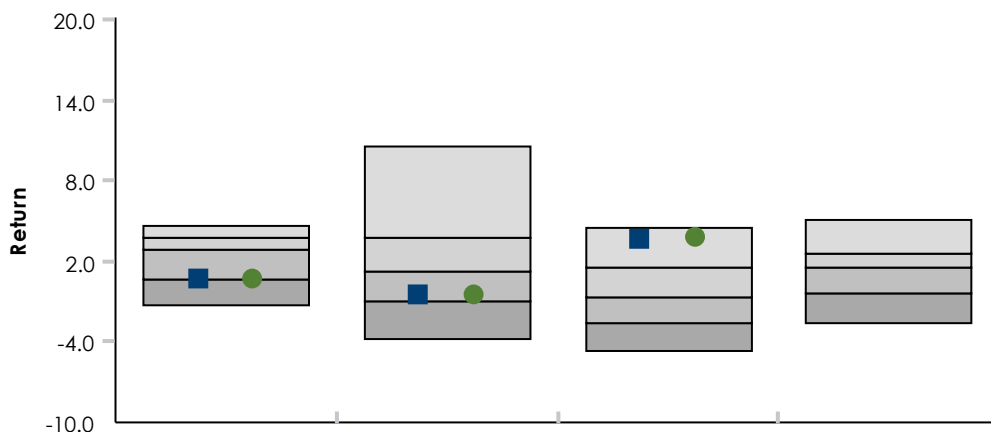
# Vanguard Total Intl. Bond Index

June 30, 2017

## Historical Statistics (3 Years)

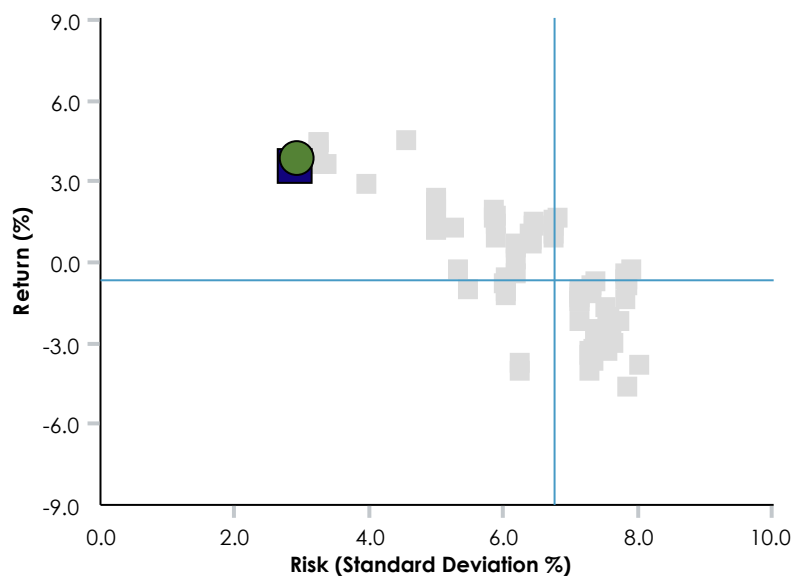
	Return	Standard Deviation	Sharpe Ratio	Alpha	Beta	R-Squared	Tracking Error	Information Ratio	Up Market Capture	Down Market Capture
Vanguard Total Intl. Bond Index	3.6	2.9	1.1	-0.2	1.0	1.0	0.2	-1.2	97.4	102.6
Bbg. BC Gbl Agg ex-USD Flt Adj RIC Cpd (H)	3.8	2.9	1.2	0.0	1.0	1.0	0.0	N/A	100.0	100.0
IM International Fixed Income (MF) Median	-0.7	6.8	-0.1	-3.1	0.7	0.1	7.0	-0.7	31.1	104.7

## Peer Group Analysis



	1 Quarter	1 Year	3 Years	5 Years
■ Vanguard Total Intl. Bond Index	0.6 (73)	-0.6 (67)	3.6 (13)	N/A
● Bbg. BC Gbl Agg ex-USD Flt Adj RIC Cpd (H)	0.7 (72)	-0.5 (65)	3.8 (9)	N/A
Median	2.9	1.2	-0.7	1.5

## Peer Group Scattergram (3 Years)



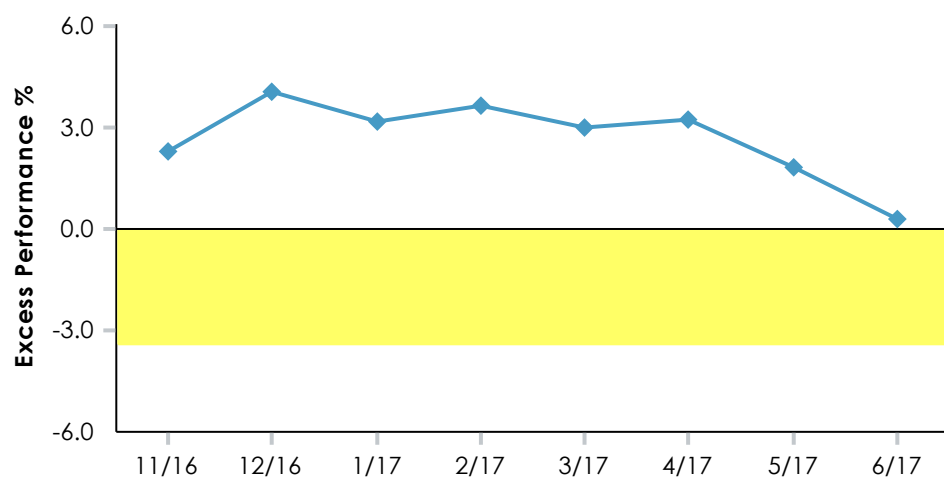
	Return	Standard Deviation
■ Vanguard Total Intl. Bond Index	3.6	2.9
● Bbg. BC Gbl Agg ex-USD Flt Adj RIC Cpd (H)	3.8	2.9
— Median	-0.7	6.8

## Performance Statistics (3 Years)

	Months	%
<b>Market Capture</b>		
Up Markets	23	97.4
Down Markets	13	102.6
<b>Batting Average</b>		
Up Markets	23	34.8
Down Markets	13	46.2
Overall	36	38.9

## Dimensional 2020 Target Date vs. Dimensional 2020 Custom Blend

### Short-term (Rolling 12 Months Excess Performance)



Short-Term Performance:

**Positive**

Probationary Performance = -3.5%

### Annualized Performance Results (Net of management fees)

	1 Quarter	1 Year	3 Years	5 Years	Since Inception	Inception Date
Dimensional 2020 Target Date	1.0	4.9	N/A	N/A	6.9	12/01/2015
Dimensional 2020 Custom Blend	3.3	4.5	1.8	4.3	6.9	

Monitoring Status

**Positive**

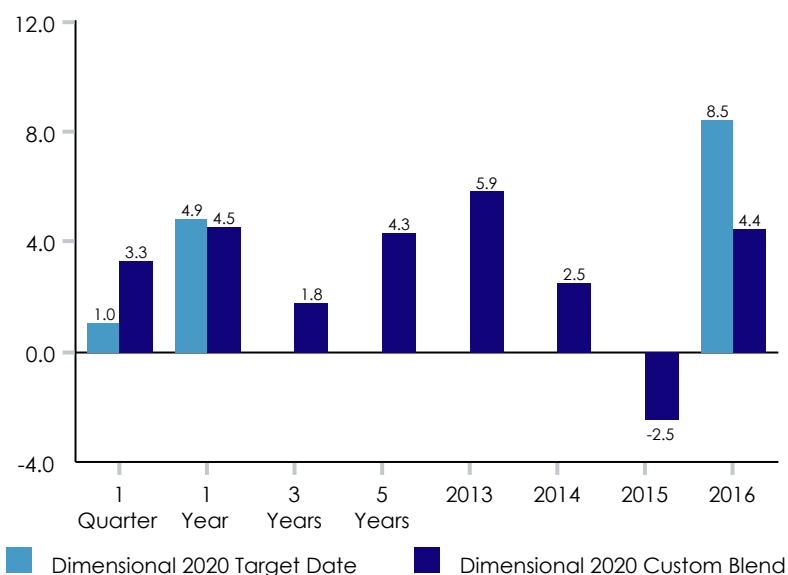
# Dimensional 2020 Target Date

June 30, 2017

## Mutual Fund Info

Product Name : DFA 2020 TDR Inc;Inst (DRIRX)  
 Fund Family : Dimensional Fund Advisors LP  
 Ticker : DRIRX  
 Peer Group : IM Mixed-Asset Target 2020 (MF)  
 Benchmark : Dow Jones U.S. Target 2020 Index  
 Fund Inception : 11/02/2015  
 Portfolio Manager : Team Managed  
 Total Assets : \$76 Million  
 Total Assets Date : 06/30/2017  
 Gross Expense : 0.4%  
 Net Expense : 0.2%  
 Turnover : N/A

## Comparative Performance



## Fund Investment Policy

The Fund seeks to provide total return consistent with the Portfolio's current asset allocation. The Fund allocates its assets to other mutual funds managed by the Advisor (i.e., the Underlying Funds) according to an asset allocation strategy designed for investors planning to retire in or within a few years of 2020.

## Style Map (3 Years)

No data found.

## Style History (3 Years)

No data found.



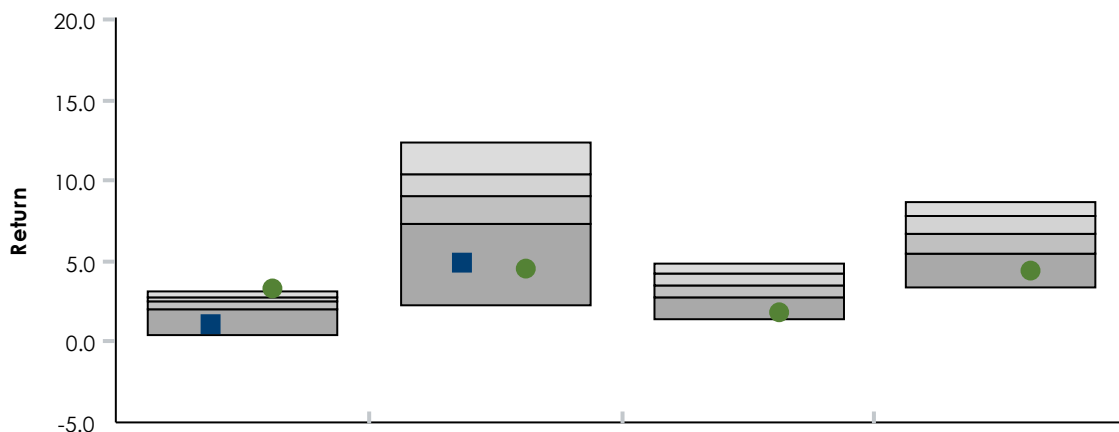
# Dimensional 2020 Target Date

June 30, 2017

## Historical Statistics (1 Year)

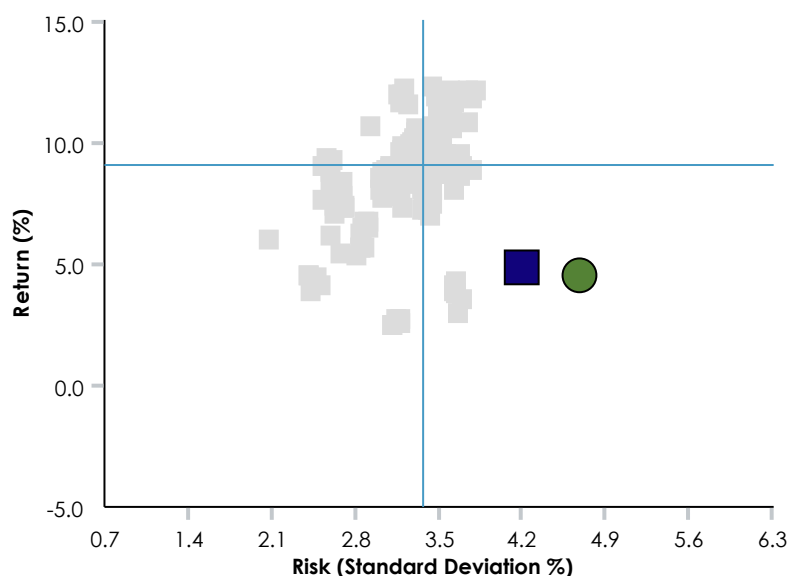
	Return	Standard Deviation	Sharpe Ratio	Alpha	Beta	R-Squared	Tracking Error	Information Ratio	Up Market Capture	Down Market Capture
Dimensional 2020 Target Date	4.9	4.2	1.0	1.2	0.8	0.8	2.1	0.1	85.8	66.4
Dimensional 2020 Custom Blend	4.5	4.7	0.9	0.0	1.0	1.0	0.0	N/A	100.0	100.0
IM Mixed-Asset Target 2020 (MF) Median	9.1	3.4	2.6	6.2	0.6	0.7	2.6	1.6	109.7	24.3

## Peer Group Analysis



	1 Quarter	1 Year	3 Years	5 Years
■ Dimensional 2020 Target Date	1.0 (92)	4.9 (87)	N/A	N/A
● Dimensional 2020 Custom Blend	3.3 (4)	4.5 (87)	1.8 (92)	4.3 (88)
Median	2.5	9.1	3.5	6.7

## Peer Group Scattergram (1 Year)



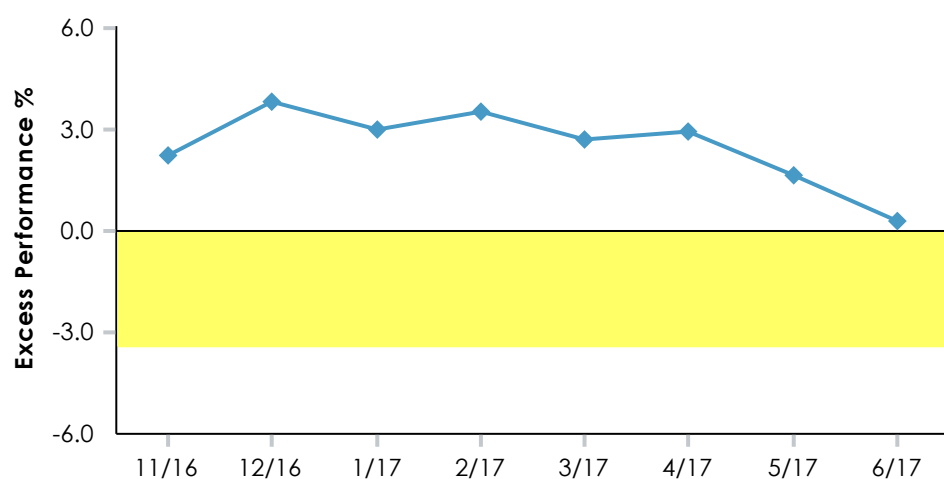
	Return	Standard Deviation
■ Dimensional 2020 Target Date	4.9	4.2
● Dimensional 2020 Custom Blend	4.5	4.7
— Median	9.1	3.4

## Performance Statistics (1 Year)

	Months	%
<b>Market Capture</b>		
Up Markets	9	85.8
Down Markets	3	66.4
<b>Batting Average</b>		
Up Markets	9	44.4
Down Markets	3	100.0
Overall	12	58.3

## Dimensional 2025 Target Date vs. Dimensional 2025 Custom Blend

### Short-term (Rolling 12 Months Excess Performance)



Short-Term Performance:

**Positive**

Probationary Performance = -3.5%

### Annualized Performance Results (Net of management fees)

	1 Quarter	1 Year	3 Years	5 Years	Since Inception	Inception Date
Dimensional 2025 Target Date	1.6	7.5	N/A	N/A	8.0	12/01/2015
Dimensional 2025 Custom Blend	3.5	7.2	2.7	5.8	7.9	

Monitoring Status

**Positive**

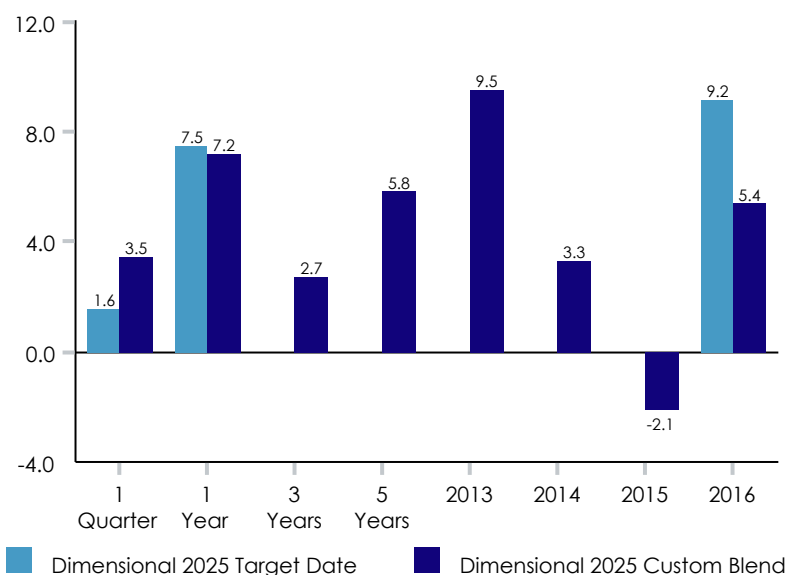
# Dimensional 2025 Target Date

June 30, 2017

## Mutual Fund Info

Product Name : DFA 2025 TDR Inc;Inst (DRIUX)  
 Fund Family : Dimensional Fund Advisors LP  
 Ticker : DRIUX  
 Peer Group : IM Mixed-Asset Target 2025 (MF)  
 Benchmark : Dow Jones U.S. Target 2025 Index  
 Fund Inception : 11/02/2015  
 Portfolio Manager : Team Managed  
 Total Assets : \$91 Million  
 Total Assets Date : 06/30/2017  
 Gross Expense : 0.4%  
 Net Expense : 0.3%  
 Turnover : N/A

## Comparative Performance



## Fund Investment Policy

The Fund seeks to provide total return consistent with the Portfolio's current asset allocation. The Fund allocates its assets to other mutual funds managed by the Advisor (i.e., the Underlying Funds) according to an asset allocation strategy designed for investors planning to retire in or within a few years of 2025.

## Style Map (3 Years)

No data found.

## Style History (3 Years)

No data found.

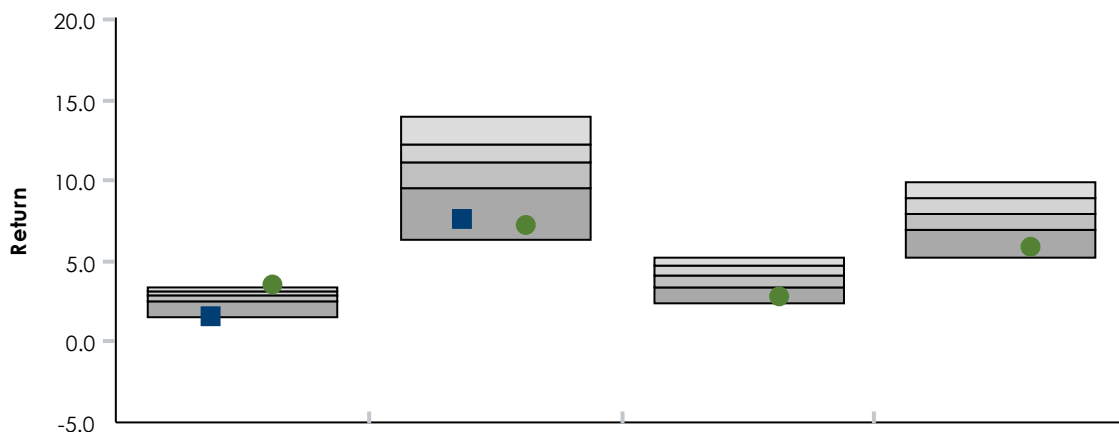
# Dimensional 2025 Target Date

June 30, 2017

## Historical Statistics (1 Year)

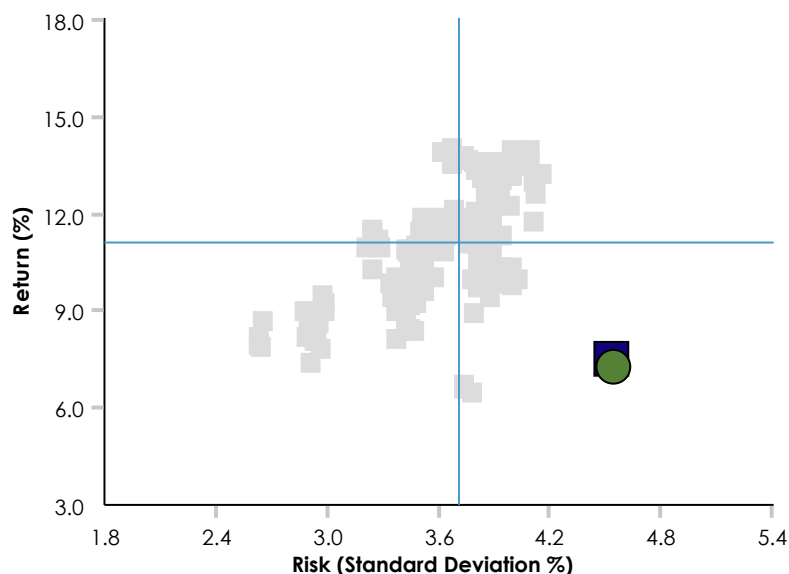
	Return	Standard Deviation	Sharpe Ratio	Alpha	Beta	R-Squared	Tracking Error	Information Ratio	Up Market Capture	Down Market Capture
Dimensional 2025 Target Date	7.5	4.5	1.5	0.8	0.9	0.8	1.8	0.1	91.0	68.0
Dimensional 2025 Custom Blend	7.2	4.6	1.5	0.0	1.0	1.0	0.0	N/A	100.0	100.0
IM Mixed-Asset Target 2025 (MF) Median	11.1	3.7	2.8	5.6	0.7	0.8	2.1	1.6	106.3	24.0

## Peer Group Analysis



	1 Quarter	1 Year	3 Years	5 Years
■ Dimensional 2025 Target Date	1.6 (95)	7.5 (92)	N/A	N/A
● Dimensional 2025 Custom Blend	3.5 (5)	7.2 (92)	2.7 (93)	5.8 (93)
Median	2.9	11.1	4.1	8.0

## Peer Group Scattergram (1 Year)



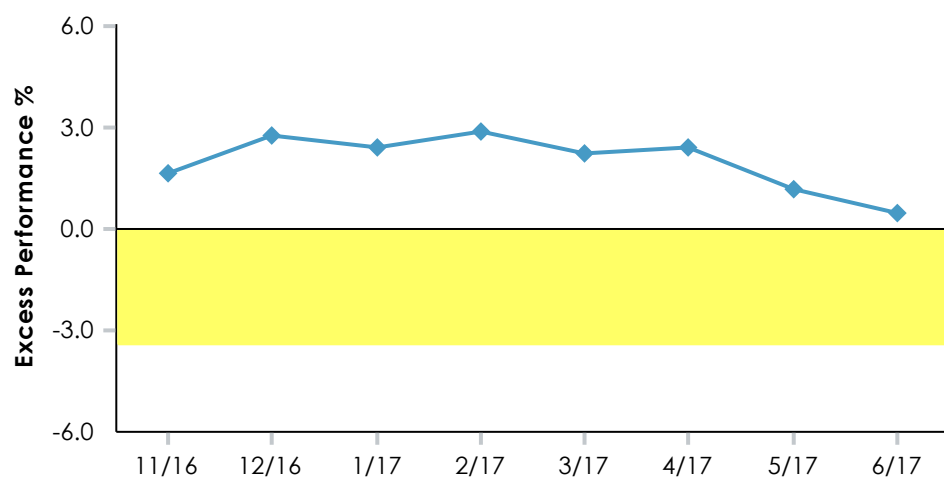
	Return	Standard Deviation
■ Dimensional 2025 Target Date	7.5	4.5
● Dimensional 2025 Custom Blend	7.2	4.6
— Median	11.1	3.7

## Performance Statistics (1 Year)

	Months	%
<b>Market Capture</b>		
Up Markets	9	91.0
Down Markets	3	68.0
<b>Batting Average</b>		
Up Markets	9	33.3
Down Markets	3	100.0
Overall	12	50.0

## Dimensional 2030 Target Date vs. Dimensional 2030 Custom Blend

### Short-term (Rolling 12 Months Excess Performance)



Short-Term Performance:

**Positive**

Probationary Performance = -3.5%

### Annualized Performance Results (Net of management fees)

	1 Quarter	1 Year	3 Years	5 Years	Since Inception	Inception Date
Dimensional 2030 Target Date	2.3	10.6	N/A	N/A	8.9	12/01/2015
Dimensional 2030 Custom Blend	3.6	10.1	3.7	7.4	8.9	

Monitoring Status

**Positive**

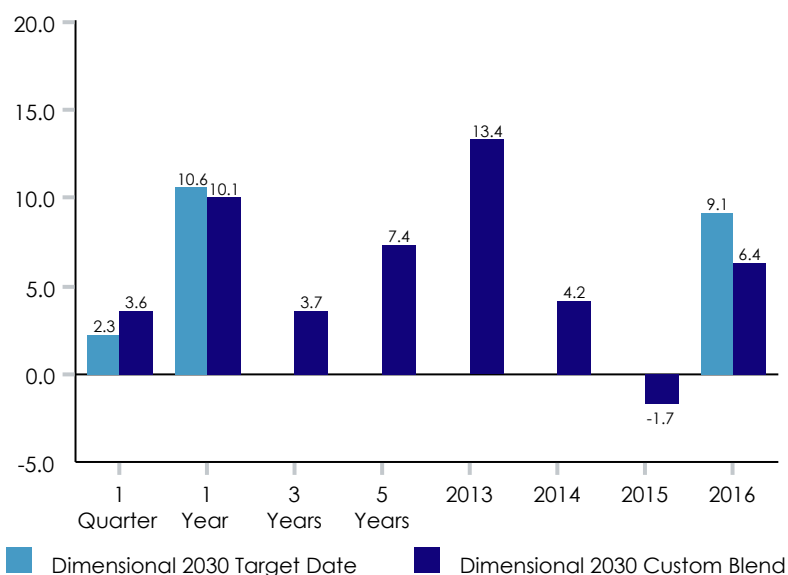
# Dimensional 2030 Target Date

June 30, 2017

## Mutual Fund Info

Product Name : DFA 2030 TDR Inc;Inst (DRIWX)  
 Fund Family : Dimensional Fund Advisors LP  
 Ticker : DRIWX  
 Peer Group : IM Mixed-Asset Target 2030 (MF)  
 Benchmark : Dow Jones U.S. Target 2030 Index  
 Fund Inception : 11/02/2015  
 Portfolio Manager : Team Managed  
 Total Assets : \$83 Million  
 Total Assets Date : 06/30/2017  
 Gross Expense : 0.4%  
 Net Expense : 0.3%  
 Turnover : N/A

## Comparative Performance



## Fund Investment Policy

The Fund seeks to provide total return consistent with the Portfolio's current asset allocation. The Fund allocates its assets to other mutual funds managed by the Advisor (i.e., the Underlying Funds) according to an asset allocation strategy designed for investors planning to retire in or within a few years of 2030.

## Style Map (3 Years)

No data found.

## Style History (3 Years)

No data found.

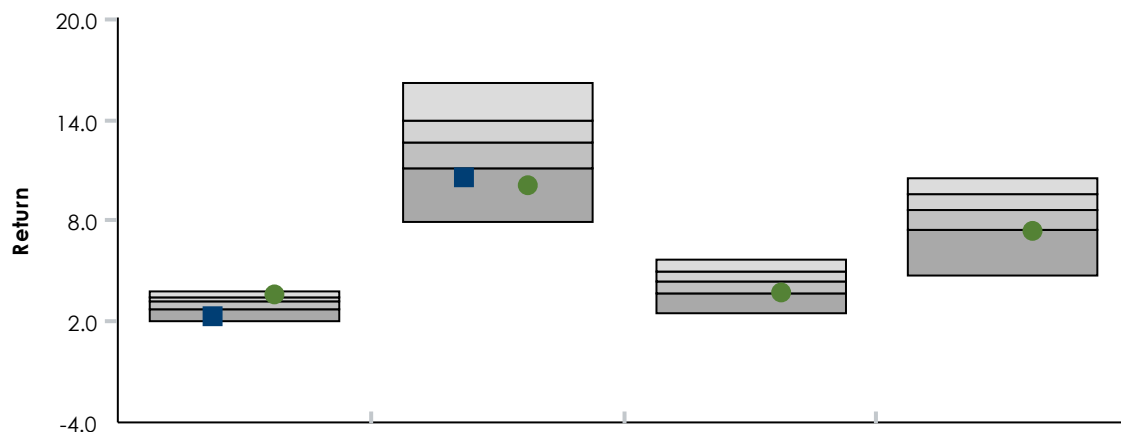
# Dimensional 2030 Target Date

June 30, 2017

## Historical Statistics (1 Year)

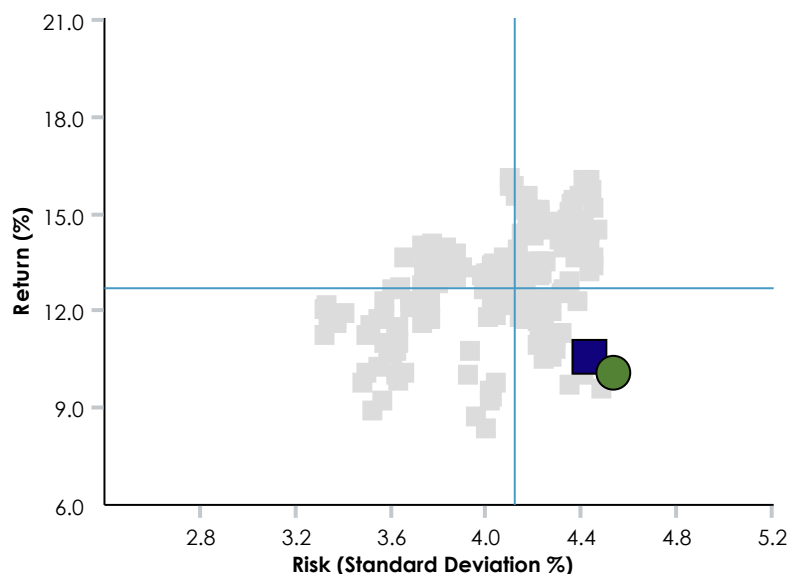
	Return	Standard Deviation	Sharpe Ratio	Alpha	Beta	R-Squared	Tracking Error	Information Ratio	Up Market Capture	Down Market Capture
Dimensional 2030 Target Date	10.6	4.4	2.2	1.2	0.9	0.9	1.5	0.3	92.2	51.4
Dimensional 2030 Custom Blend	10.1	4.5	2.1	0.0	1.0	1.0	0.0	N/A	100.0	100.0
IM Mixed-Asset Target 2030 (MF) Median	12.7	4.1	2.9	4.4	0.8	0.9	1.7	1.4	102.1	24.5

## Peer Group Analysis



	1 Quarter	1 Year	3 Years	5 Years
■ Dimensional 2030 Target Date	2.3 (92)	10.6 (82)	N/A	N/A
● Dimensional 2030 Custom Blend	3.6 (12)	10.1 (86)	3.7 (76)	7.4 (78)
Median	3.2	12.7	4.3	8.6

## Peer Group Scattergram (1 Year)



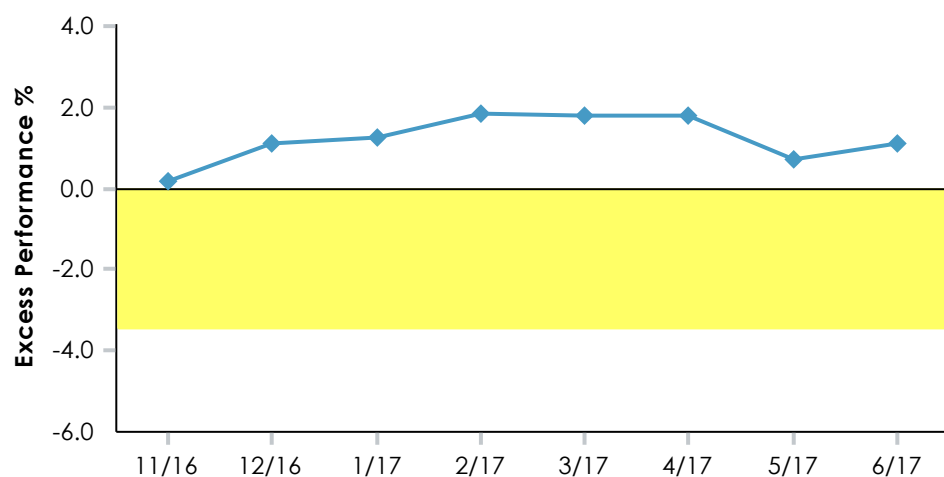
	Return	Standard Deviation
■ Dimensional 2030 Target Date	10.6	4.4
● Dimensional 2030 Custom Blend	10.1	4.5
— Median	12.7	4.1

## Performance Statistics (1 Year)

	Months	%
<b>Market Capture</b>		
Up Markets	9	92.2
Down Markets	3	51.4
<b>Batting Average</b>		
Up Markets	9	33.3
Down Markets	3	100.0
Overall	12	50.0

## Dimensional 2035 Target Date vs. Dimensional 2035 Custom Blend

### Short-term (Rolling 12 Months Excess Performance)



Short-Term Performance:

**Positive**

Probationary Performance = -3.5%

### Annualized Performance Results (Net of management fees)

	1 Quarter	1 Year	3 Years	5 Years	Since Inception	Inception Date
Dimensional 2035 Target Date	3.0	14.0	N/A	N/A	9.3	12/01/2015
Dimensional 2035 Custom Blend	3.8	12.9	4.5	8.8	9.9	

Monitoring Status

**Positive**



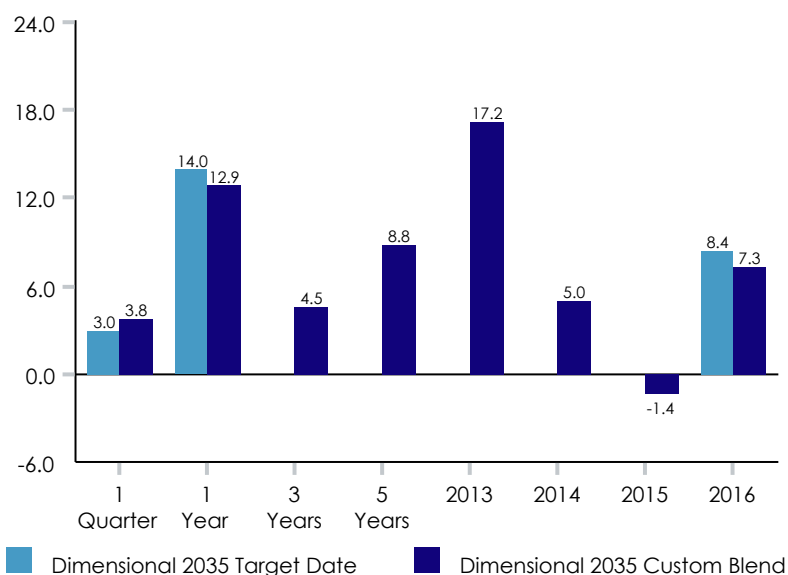
# Dimensional 2035 Target Date

June 30, 2017

## Mutual Fund Info

Product Name : DFA 2035 TDR Inc;Inst (DRIGX)  
 Fund Family : Dimensional Fund Advisors LP  
 Ticker : DRIGX  
 Peer Group : IM Mixed-Asset Target 2035 (MF)  
 Benchmark : Dow Jones U.S. Target 2035 Index  
 Fund Inception : 11/02/2015  
 Portfolio Manager : Team Managed  
 Total Assets : \$62 Million  
 Total Assets Date : 06/30/2017  
 Gross Expense : 0.5%  
 Net Expense : 0.3%  
 Turnover : N/A

## Comparative Performance



## Fund Investment Policy

The Fund seeks to provide total return consistent with the Portfolio's current asset allocation. The Fund allocates its assets to other mutual funds managed by the Advisor (i.e., the Underlying Funds) according to an asset allocation strategy designed for investors planning to retire in or within a few years of 2035.

## Style Map (3 Years)

No data found.

## Style History (3 Years)

No data found.

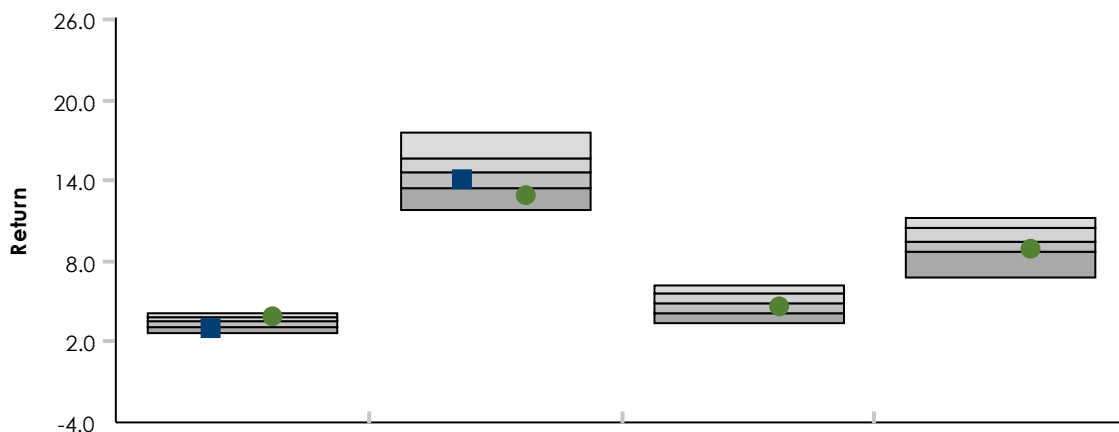
# Dimensional 2035 Target Date

June 30, 2017

## Historical Statistics (1 Year)

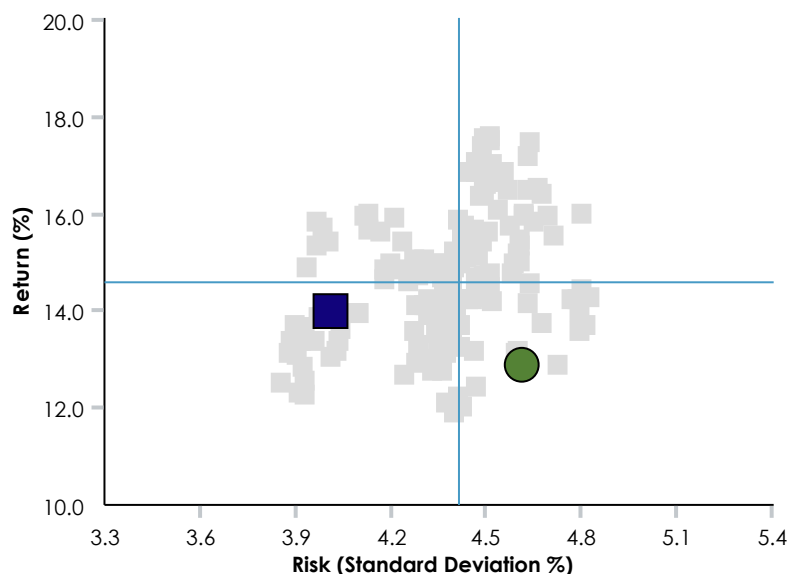
	Return	Standard Deviation	Sharpe Ratio	Alpha	Beta	R-Squared	Tracking Error	Information Ratio	Up Market Capture	Down Market Capture
Dimensional 2035 Target Date	14.0	4.0	3.2	3.1	0.8	0.9	1.5	0.6	95.3	22.5
Dimensional 2035 Custom Blend	12.9	4.6	2.6	0.0	1.0	1.0	0.0	N/A	100.0	100.0
IM Mixed-Asset Target 2035 (MF) Median	14.6	4.4	3.1	3.0	0.9	0.9	1.5	1.1	101.3	33.0

## Peer Group Analysis



	1 Quarter	1 Year	3 Years	5 Years
■ Dimensional 2035 Target Date	3.0 (82)	14.0 (65)	N/A	N/A
● Dimensional 2035 Custom Blend	3.8 (26)	12.9 (86)	4.5 (64)	8.8 (72)
Median	3.6	14.6	4.9	9.4

## Peer Group Scattergram (1 Year)



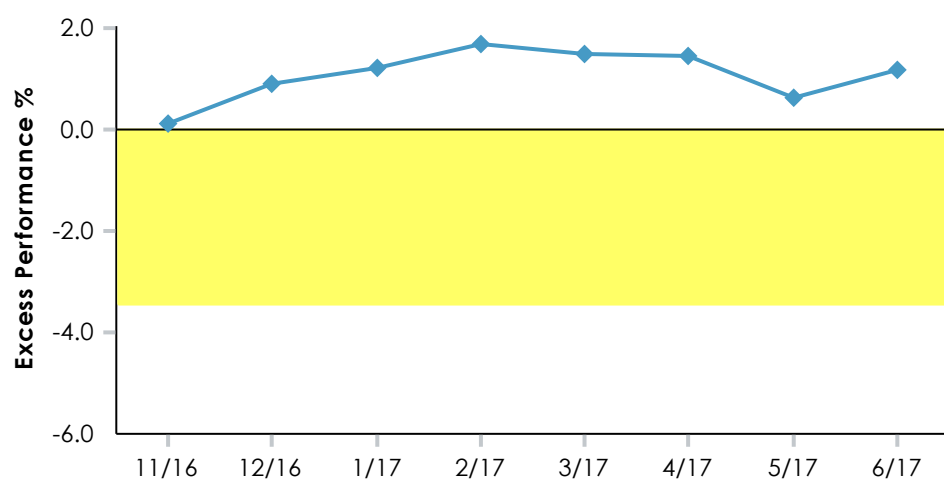
	Return	Standard Deviation
■ Dimensional 2035 Target Date	14.0	4.0
● Dimensional 2035 Custom Blend	12.9	4.6
— Median	14.6	4.4

## Performance Statistics (1 Year)

	Months	%
<b>Market Capture</b>		
Up Markets	10	95.3
Down Markets	2	22.5
<b>Batting Average</b>		
Up Markets	10	40.0
Down Markets	2	100.0
Overall	12	50.0

## Dimensional 2040 Target Date vs. Dimensional 2040 Custom Blend

### Short-term (Rolling 12 Months Excess Performance)



Short-Term Performance:

**Positive**

Probationary Performance = -3.5%

### Annualized Performance Results (Net of management fees)

	1 Quarter	1 Year	3 Years	5 Years	Since Inception	Inception Date
Dimensional 2040 Target Date	3.5	16.9	N/A	N/A	10.5	12/01/2015
Dimensional 2040 Custom Blend	3.9	15.8	5.4	10.3	10.8	

Monitoring Status

**Positive**

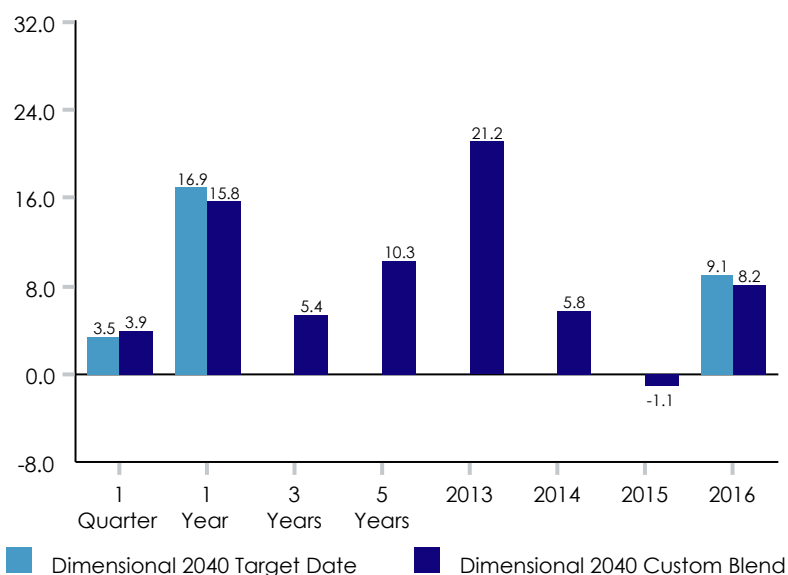
# Dimensional 2040 Target Date

June 30, 2017

## Mutual Fund Info

Product Name : DFA 2040 TDR Inc;Inst (DRIHX)  
 Fund Family : Dimensional Fund Advisors LP  
 Ticker : DRIHX  
 Peer Group : IM Mixed-Asset Target 2040 (MF)  
 Benchmark : Dow Jones U.S. Target 2040 Index  
 Fund Inception : 11/02/2015  
 Portfolio Manager : Team Managed  
 Total Assets : \$48 Million  
 Total Assets Date : 06/30/2017  
 Gross Expense : 0.5%  
 Net Expense : 0.3%  
 Turnover : N/A

## Comparative Performance



## Fund Investment Policy

The Fund seeks to provide total return consistent with the Portfolio's current asset allocation. The Fund allocates its assets to other mutual funds managed by the Advisor (i.e., the Underlying Funds) according to an asset allocation strategy designed for investors planning to retire in or within a few years of 2040.

## Style Map (3 Years)

No data found.

## Style History (3 Years)

No data found.

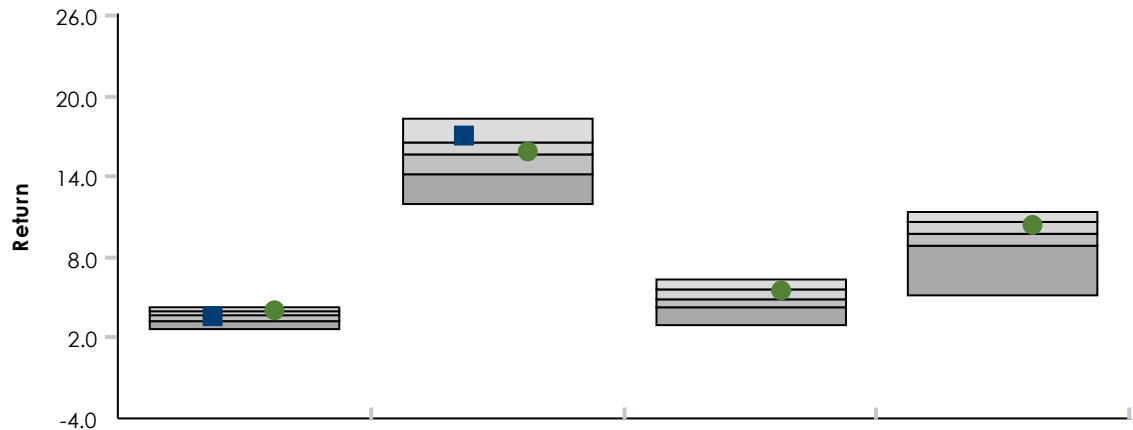
# Dimensional 2040 Target Date

June 30, 2017

## Historical Statistics (1 Year)

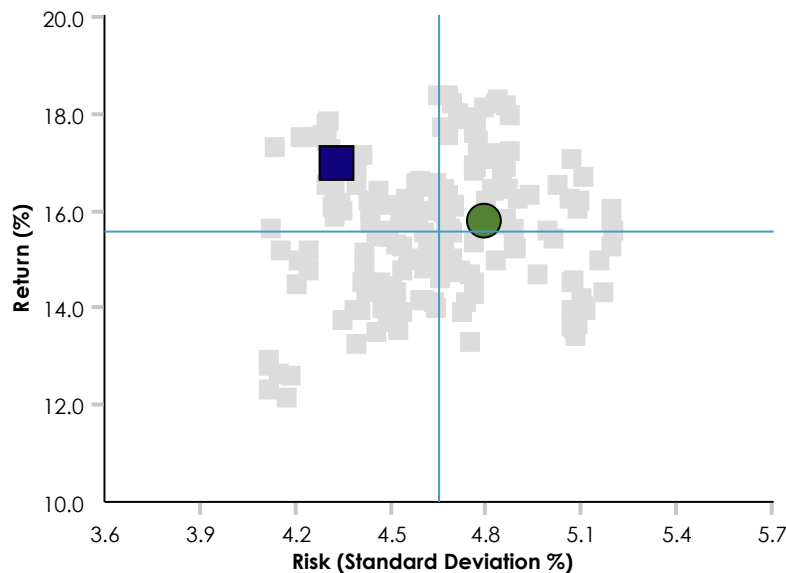
	Return	Standard Deviation	Sharpe Ratio	Alpha	Beta	R-Squared	Tracking Error	Information Ratio	Up Market Capture	Down Market Capture
Dimensional 2040 Target Date	16.9	4.3	3.6	3.0	0.9	0.9	1.3	0.8	104.4	84.8
Dimensional 2040 Custom Blend	15.8	4.8	3.0	0.0	1.0	1.0	0.0	N/A	100.0	100.0
IM Mixed-Asset Target 2040 (MF) Median	15.6	4.7	3.1	1.1	0.9	0.9	1.4	-0.1	100.2	105.9

## Peer Group Analysis



	1 Quarter	1 Year	3 Years	5 Years
■ Dimensional 2040 Target Date	3.5 (65)	16.9 (20)	N/A	N/A
● Dimensional 2040 Custom Blend	3.9 (25)	15.8 (48)	5.4 (35)	10.3 (33)
Median	3.7	15.6	4.9	9.8

## Peer Group Scattergram (1 Year)



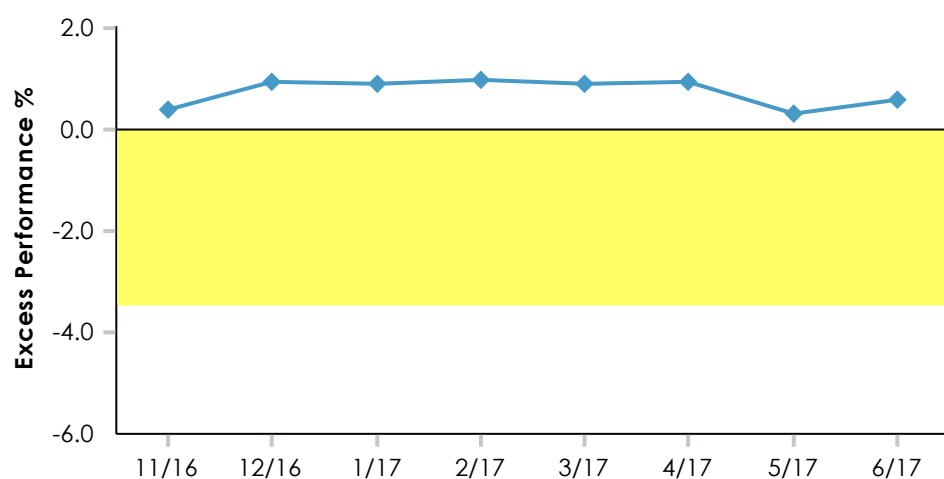
	Return	Standard Deviation
■ Dimensional 2040 Target Date	16.9	4.3
● Dimensional 2040 Custom Blend	15.8	4.8
— Median	15.6	4.7

## Performance Statistics (1 Year)

	Months	%
<b>Market Capture</b>		
Up Markets	11	104.4
Down Markets	1	84.8
<b>Batting Average</b>		
Up Markets	11	54.5
Down Markets	1	100.0
Overall	12	58.3

## Dimensional 2045 Target Date vs. Dimensional 2045 Custom Blend

### Short-term (Rolling 12 Months Excess Performance)



Short-Term Performance:

**Positive**

Probationary Performance = -3.5%

### Annualized Performance Results (Net of management fees)

	1 Quarter	1 Year	3 Years	5 Years	Since Inception	Inception Date
Dimensional 2045 Target Date	3.8	18.5	N/A	N/A	11.4	12/01/2015
Dimensional 2045 Custom Blend	4.1	17.9	6.1	11.4	11.5	

Monitoring Status

**Positive**

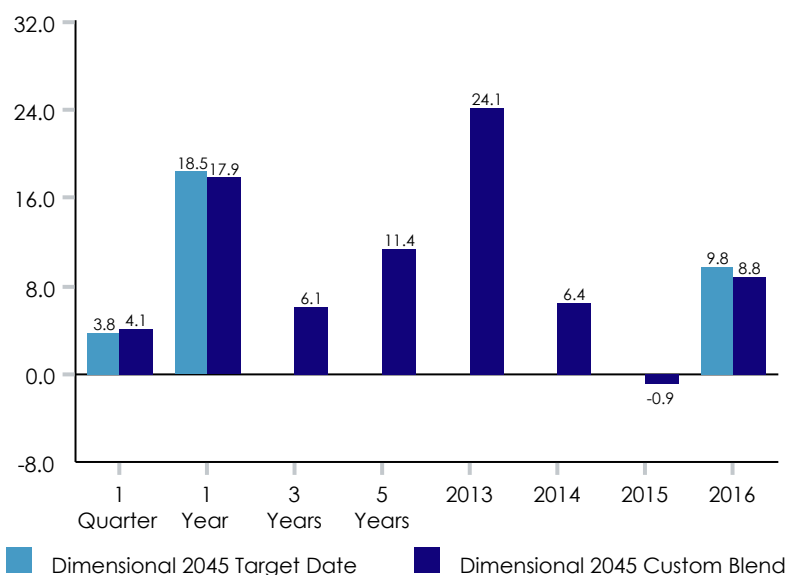
# Dimensional 2045 Target Date

June 30, 2017

## Mutual Fund Info

Product Name : DFA 2045 TDR Inc;Inst (DRIIX)  
 Fund Family : Dimensional Fund Advisors LP  
 Ticker : DRIIX  
 Peer Group : IM Mixed-Asset Target 2045 (MF)  
 Benchmark : Dow Jones U.S. Target 2045 Index  
 Fund Inception : 11/02/2015  
 Portfolio Manager : Team Managed  
 Total Assets : \$33 Million  
 Total Assets Date : 06/30/2017  
 Gross Expense : 0.8%  
 Net Expense : 0.3%  
 Turnover : N/A

## Comparative Performance



## Fund Investment Policy

The Fund seeks to provide total return consistent with the Portfolio's current asset allocation. The Fund allocates its assets to other mutual funds managed by the Advisor (i.e., the Underlying Funds) according to an asset allocation strategy designed for investors planning to retire in or within a few years of 2045.

## Style Map (3 Years)

No data found.

## Style History (3 Years)

No data found.

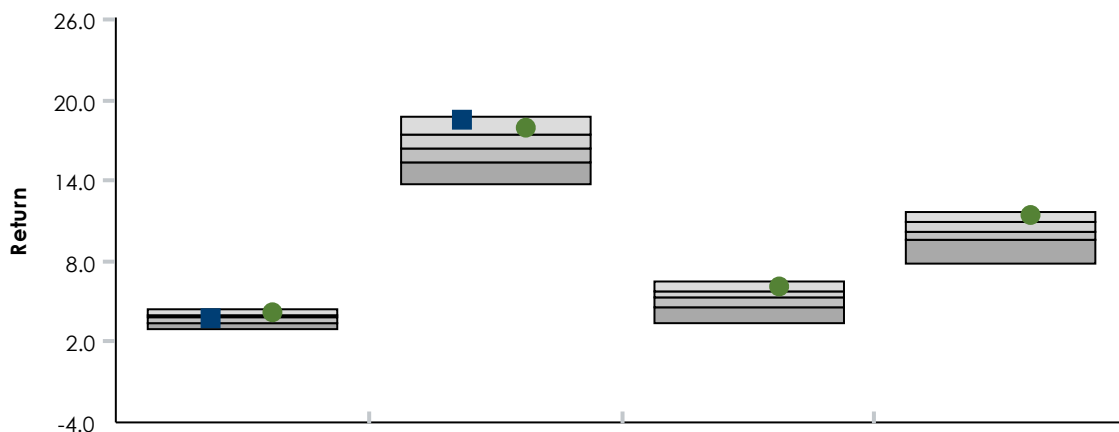
# Dimensional 2045 Target Date

June 30, 2017

## Historical Statistics (1 Year)

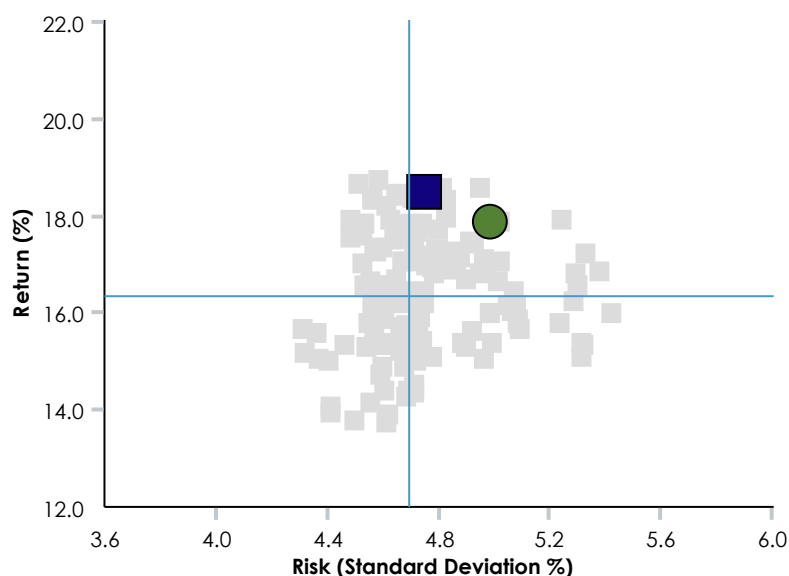
	Return	Standard Deviation	Sharpe Ratio	Alpha	Beta	R-Squared	Tracking Error	Information Ratio	Up Market Capture	Down Market Capture
Dimensional 2045 Target Date	18.5	4.8	3.5	1.7	0.9	1.0	1.0	0.5	102.8	100.5
Dimensional 2045 Custom Blend	17.9	5.0	3.3	0.0	1.0	1.0	0.0	N/A	100.0	100.0
IM Mixed-Asset Target 2045 (MF) Median	16.4	4.7	3.2	0.2	0.9	0.9	1.3	-0.9	94.5	111.7

## Peer Group Analysis



	1 Quarter	1 Year	3 Years	5 Years
■ Dimensional 2045 Target Date	3.8 (57)	18.5 (8)	N/A	N/A
● Dimensional 2045 Custom Blend	4.1 (25)	17.9 (15)	6.1 (15)	11.4 (8)
Median	3.8	16.4	5.3	10.3

## Peer Group Scattergram (1 Year)



## Performance Statistics (1 Year)

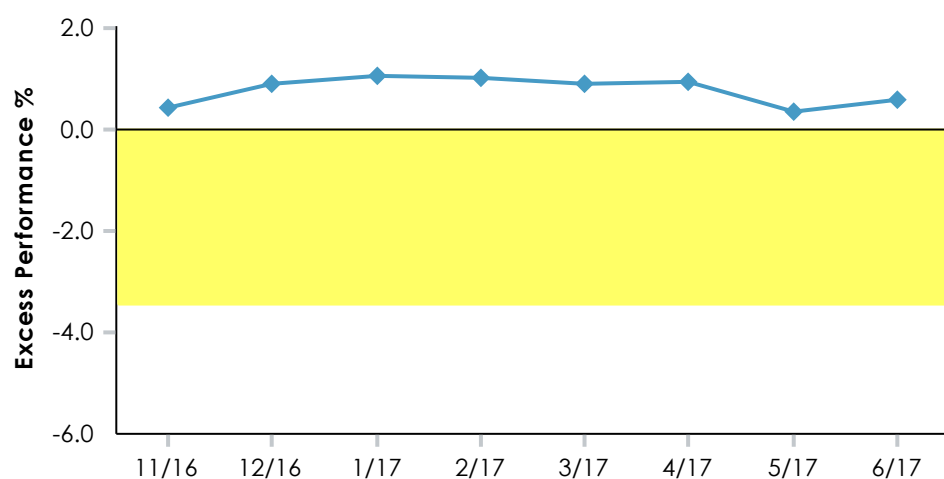
	Months	%
<b>Market Capture</b>		
Up Markets	11	102.8
Down Markets	1	100.5
<b>Batting Average</b>		
Up Markets	11	54.5
Down Markets	1	0.0
Overall	12	50.0

	Return	Standard Deviation
■ Dimensional 2045 Target Date	18.5	4.8
● Dimensional 2045 Custom Blend	17.9	5.0
— Median	16.4	4.7



## Dimensional 2050 Target Date vs. Dimensional 2050 Custom Blend

### Short-term (Rolling 12 Months Excess Performance)



Short-Term Performance:

**Positive**

Probationary Performance = -3.5%

### Annualized Performance Results (Net of management fees)

	1 Quarter	1 Year	3 Years	5 Years	Since Inception	Inception Date
Dimensional 2050 Target Date	3.8	18.5	N/A	N/A	11.5	12/01/2015
Dimensional 2050 Custom Blend	4.1	17.9	6.1	11.4	11.5	

Monitoring Status

**Positive**

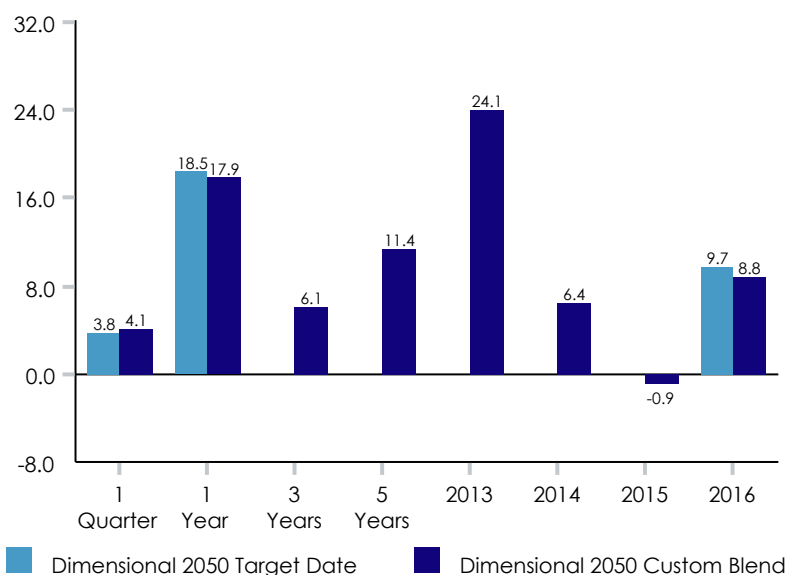
# Dimensional 2050 Target Date

June 30, 2017

## Mutual Fund Info

Product Name : DFA 2050 TDR Inc;Inst (DRIJX)  
 Fund Family : Dimensional Fund Advisors LP  
 Ticker : DRIJX  
 Peer Group : IM Mixed-Asset Target 2050 (MF)  
 Benchmark : Dow Jones U.S. Target 2050 Index  
 Fund Inception : 11/02/2015  
 Portfolio Manager : Team Managed  
 Total Assets : \$29 Million  
 Total Assets Date : 06/30/2017  
 Gross Expense : 0.8%  
 Net Expense : 0.3%  
 Turnover : N/A

## Comparative Performance



## Fund Investment Policy

The Fund seeks to provide total return consistent with the Portfolio's current asset allocation. The Fund allocates its assets to other mutual funds managed by the Advisor (i.e., the Underlying Funds) according to an asset allocation strategy designed for investors planning to retire in or within a few years of 2050.

## Style Map (3 Years)

No data found.

## Style History (3 Years)

No data found.

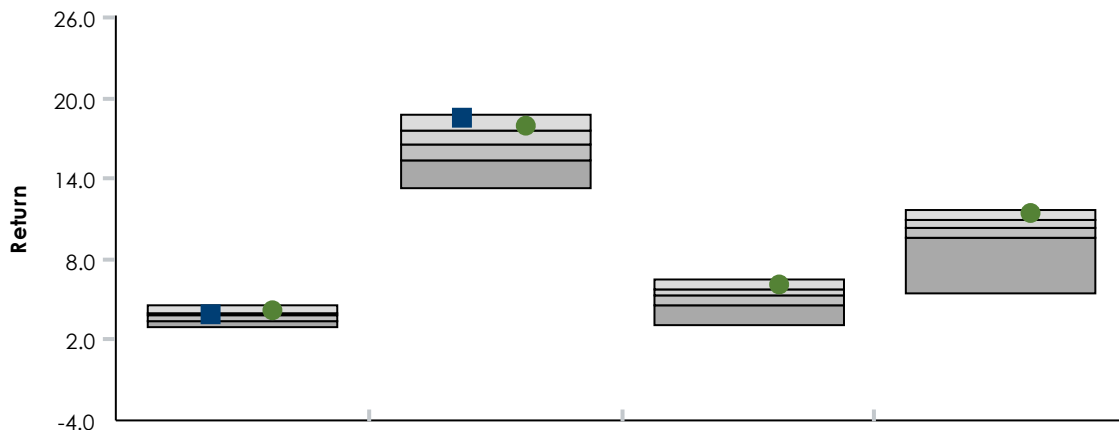
# Dimensional 2050 Target Date

June 30, 2017

## Historical Statistics (1 Year)

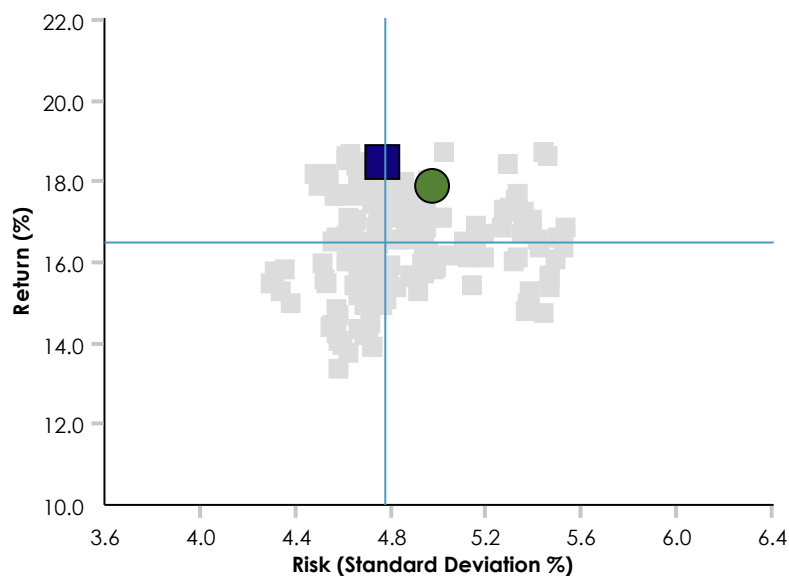
	Return	Standard Deviation	Sharpe Ratio	Alpha	Beta	R-Squared	Tracking Error	Information Ratio	Up Market Capture	Down Market Capture
Dimensional 2050 Target Date	18.5	4.8	3.5	1.6	0.9	1.0	1.1	0.5	102.9	101.0
Dimensional 2050 Custom Blend	17.9	5.0	3.3	0.0	1.0	1.0	0.0	N/A	100.0	100.0
IM Mixed-Asset Target 2050 (MF) Median	16.5	4.8	3.1	0.0	0.9	0.9	1.3	-0.8	95.4	115.8

## Peer Group Analysis



	1 Quarter	1 Year	3 Years	5 Years
■ Dimensional 2050 Target Date	3.8 (59)	18.5 (9)	N/A	N/A
● Dimensional 2050 Custom Blend	4.1 (25)	17.9 (19)	6.1 (16)	11.4 (10)
Median	3.8	16.5	5.2	10.4

## Peer Group Scattergram (1 Year)



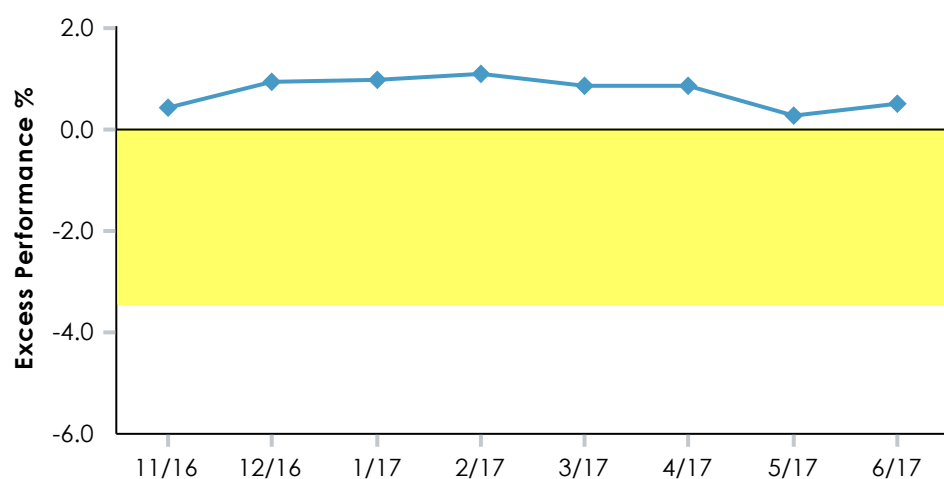
## Performance Statistics (1 Year)

	Months	%
<b>Market Capture</b>		
Up Markets	11	102.9
Down Markets	1	101.0
<b>Batting Average</b>		
Up Markets	11	54.5
Down Markets	1	0.0
Overall	12	50.0

	Return	Standard Deviation
■ Dimensional 2050 Target Date	18.5	4.8
● Dimensional 2050 Custom Blend	17.9	5.0
— Median	16.5	4.8

## Dimensional 2055 Target Date vs. Dimensional 2055 Custom Blend

### Short-term (Rolling 12 Months Excess Performance)



Short-Term Performance:

**Positive**

Probationary Performance = -3.5%

### Annualized Performance Results (Net of management fees)

	1 Quarter	1 Year	3 Years	5 Years	Since Inception	Inception Date
Dimensional 2055 Target Date	3.7	18.4	N/A	N/A	11.4	12/01/2015
Dimensional 2055 Custom Blend	4.1	17.9	6.1	11.4	11.5	

Monitoring Status

**Positive**

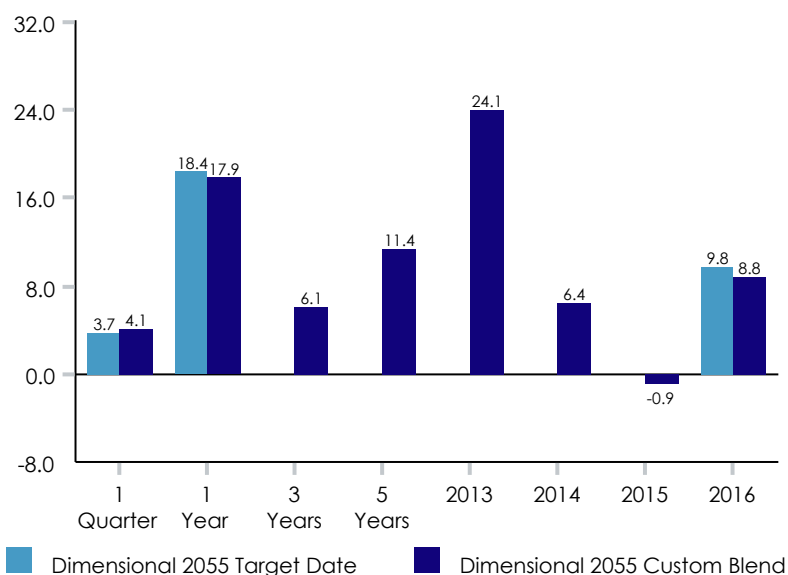
# Dimensional 2055 Target Date

June 30, 2017

## Mutual Fund Info

Product Name : DFA 2055 TDR Inc;Inst (DRIKX)  
 Fund Family : Dimensional Fund Advisors LP  
 Ticker : DRIKX  
 Peer Group : IM Mixed-Asset Target 2055+ (MF)  
 Benchmark : Dow Jones U.S. Target 2055 Index  
 Fund Inception : 11/02/2015  
 Portfolio Manager : Team Managed  
 Total Assets : \$9 Million  
 Total Assets Date : 06/30/2017  
 Gross Expense : 3.6%  
 Net Expense : 0.3%  
 Turnover : N/A

## Comparative Performance



## Fund Investment Policy

The Fund seeks to provide total return consistent with the Portfolio's current asset allocation. The Fund allocates its assets to other mutual funds managed by the Advisor (i.e., the Underlying Funds) according to an asset allocation strategy designed for investors planning to retire in or within a few years of 2055.

## Style Map (3 Years)

No data found.

## Style History (3 Years)

No data found.

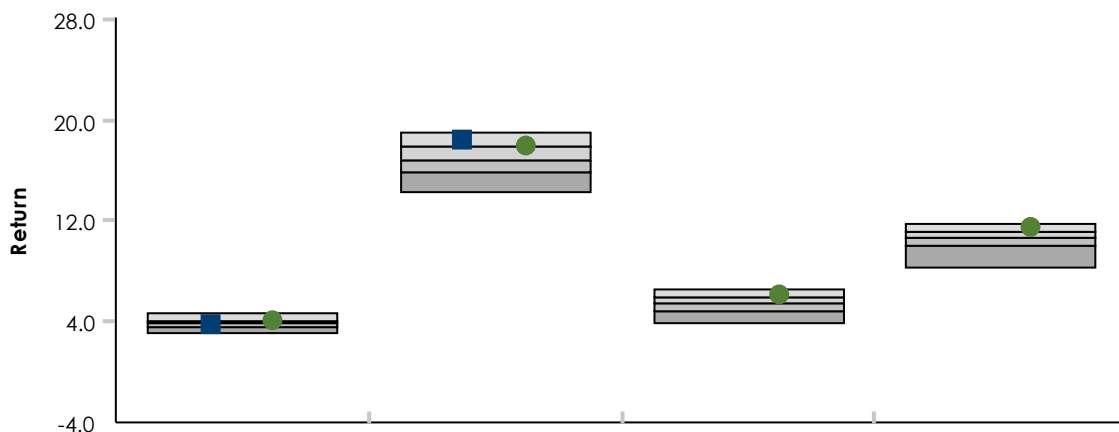
# Dimensional 2055 Target Date

June 30, 2017

## Historical Statistics (1 Year)

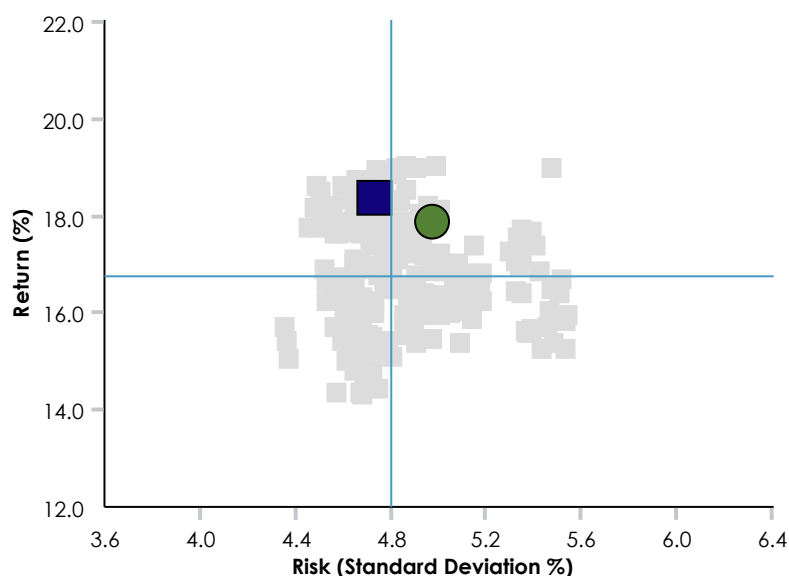
	Return	Standard Deviation	Sharpe Ratio	Alpha	Beta	R-Squared	Tracking Error	Information Ratio	Up Market Capture	Down Market Capture
Dimensional 2055 Target Date	18.4	4.7	3.5	1.6	0.9	1.0	1.0	0.4	101.9	95.4
Dimensional 2055 Custom Blend	17.9	5.0	3.3	0.0	1.0	1.0	0.0	N/A	100.0	100.0
IM Mixed-Asset Target 2055+ (MF) Median	16.7	4.8	3.2	0.5	0.9	0.9	1.3	-0.6	96.9	112.1

## Peer Group Analysis



	1 Quarter	1 Year	3 Years	5 Years
■ Dimensional 2055 Target Date	3.7 (65)	18.4 (14)	N/A	N/A
● Dimensional 2055 Custom Blend	4.1 (27)	17.9 (25)	6.1 (21)	11.4 (16)
Median	3.9	16.7	5.4	10.6

## Peer Group Scattergram (1 Year)



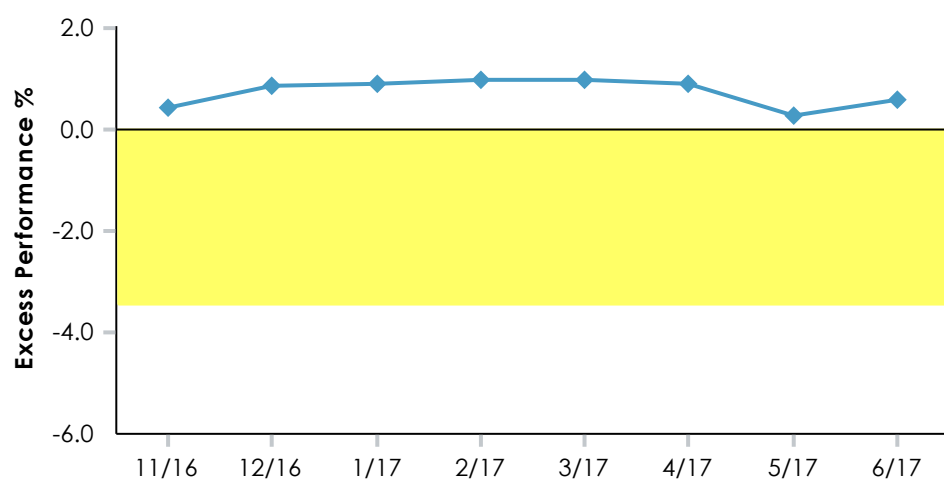
	Return	Standard Deviation
■ Dimensional 2055 Target Date	18.4	4.7
● Dimensional 2055 Custom Blend	17.9	5.0
— Median	16.7	4.8

## Performance Statistics (1 Year)

	Months	%
<b>Market Capture</b>		
Up Markets	11	101.9
Down Markets	1	95.4
<b>Batting Average</b>		
Up Markets	11	45.5
Down Markets	1	100.0
Overall	12	50.0

## Dimensional 2060 Target Date vs. Dimensional 2060 Custom Blend

### Short-term (Rolling 12 Months Excess Performance)



Short-Term Performance:

**Positive**

Probationary Performance = -3.5%

### Annualized Performance Results (Net of management fees)

	1 Quarter	1 Year	3 Years	5 Years	Since Inception	Inception Date
Dimensional 2060 Target Date	3.7	18.4	N/A	N/A	11.4	12/01/2015
Dimensional 2060 Custom Blend	4.1	17.9	6.1	11.4	11.5	

Monitoring Status

**Positive**

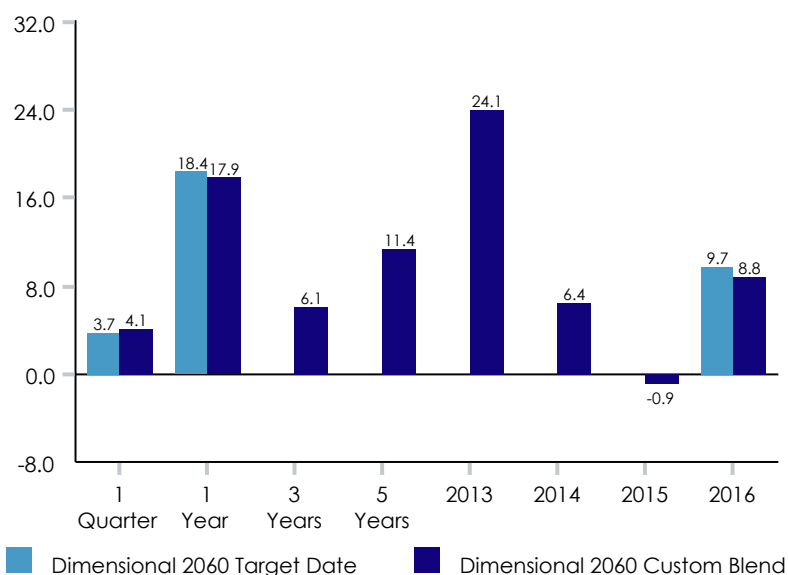
# Dimensional 2060 Target Date

June 30, 2017

## Mutual Fund Info

Product Name : DFA 2060 TDR Inc;Inst (DRILX)  
 Fund Family : Dimensional Fund Advisors LP  
 Ticker : DRILX  
 Peer Group : IM Mixed-Asset Target 2055+ (MF)  
 Benchmark : Dow Jones U.S. Target 2055 Index  
 Fund Inception : 11/02/2015  
 Portfolio Manager : Team Managed  
 Total Assets : \$5 Million  
 Total Assets Date : 06/30/2017  
 Gross Expense : 5.5%  
 Net Expense : 0.3%  
 Turnover : N/A

## Comparative Performance



## Fund Investment Policy

The Fund seeks to provide total return consistent with the Portfolio's current asset allocation. The Fund allocates its assets to other mutual funds managed by the Advisor (i.e., the Underlying Funds) according to an asset allocation strategy designed for investors planning to retire in or within a few years of 2060.

## Style Map (3 Years)

No data found.

## Style History (3 Years)

No data found.



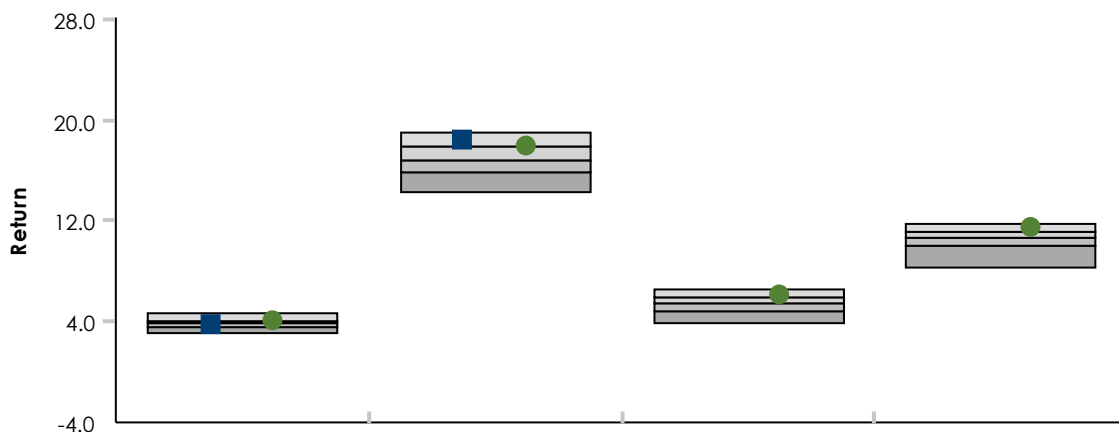
# Dimensional 2060 Target Date

June 30, 2017

## Historical Statistics (1 Year)

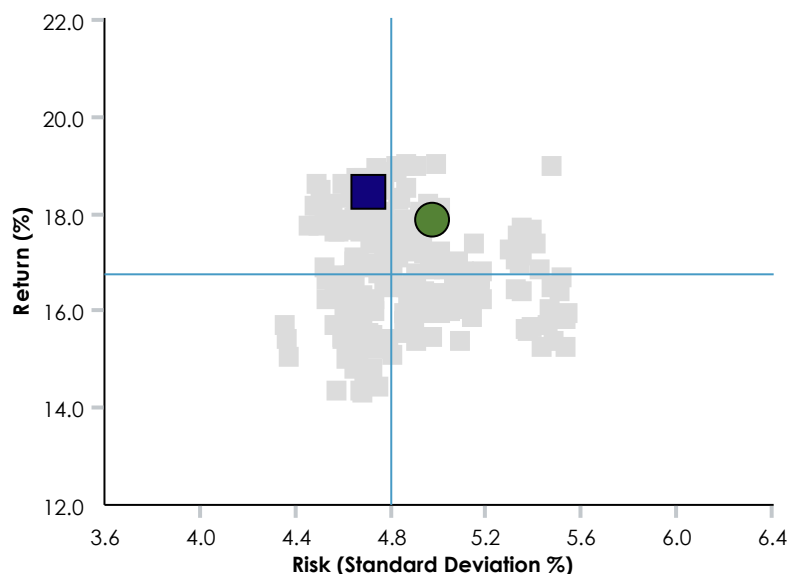
	Return	Standard Deviation	Sharpe Ratio	Alpha	Beta	R-Squared	Tracking Error	Information Ratio	Up Market Capture	Down Market Capture
Dimensional 2060 Target Date	18.4	4.7	3.6	1.8	0.9	1.0	1.1	0.5	102.2	95.3
Dimensional 2060 Custom Blend	17.9	5.0	3.3	0.0	1.0	1.0	0.0	N/A	100.0	100.0
IM Mixed-Asset Target 2055+ (MF) Median	16.7	4.8	3.2	0.5	0.9	0.9	1.3	-0.6	96.9	112.1

## Peer Group Analysis



	1 Quarter	1 Year	3 Years	5 Years
■ Dimensional 2060 Target Date	3.7 (65)	18.4 (13)	N/A	N/A
● Dimensional 2060 Custom Blend	4.1 (27)	17.9 (25)	6.1 (21)	11.4 (16)
Median	3.9	16.7	5.4	10.6

## Peer Group Scattergram (1 Year)



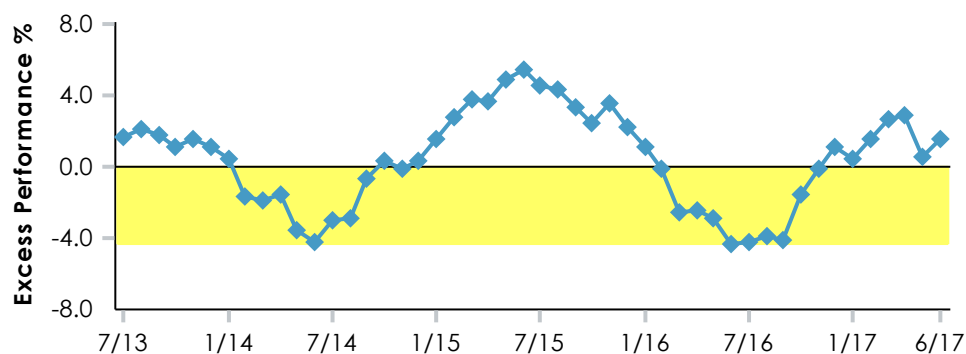
## Performance Statistics (1 Year)

	Months	%
<b>Market Capture</b>		
Up Markets	11	102.2
Down Markets	1	95.3
<b>Batting Average</b>		
Up Markets	11	54.5
Down Markets	1	100.0
Overall	12	58.3

	Return	Standard Deviation
■ Dimensional 2060 Target Date	18.4	4.7
● Dimensional 2060 Custom Blend	17.9	5.0
— Median	16.7	4.8

## DFA Global Allocation 25/75 vs. DFA Global 25/75 Blend

### Short-term (Rolling 12 Months Excess Performance)

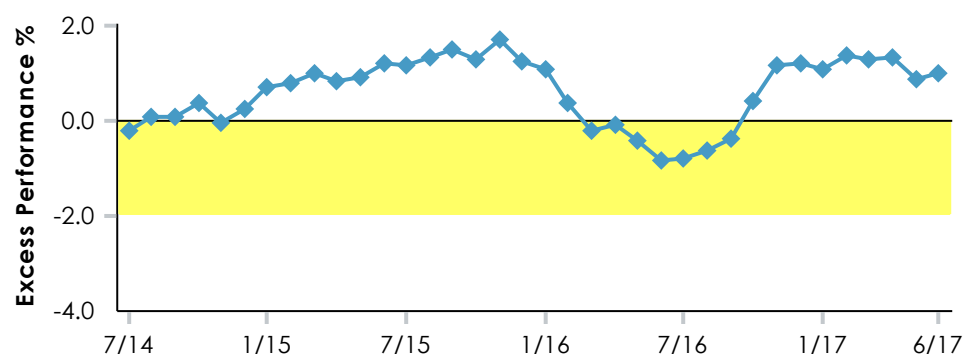


Short-Term Performance:

**Positive**

Probationary Performance : -4.5%

### Medium-term (Rolling 36 Months Excess Performance)

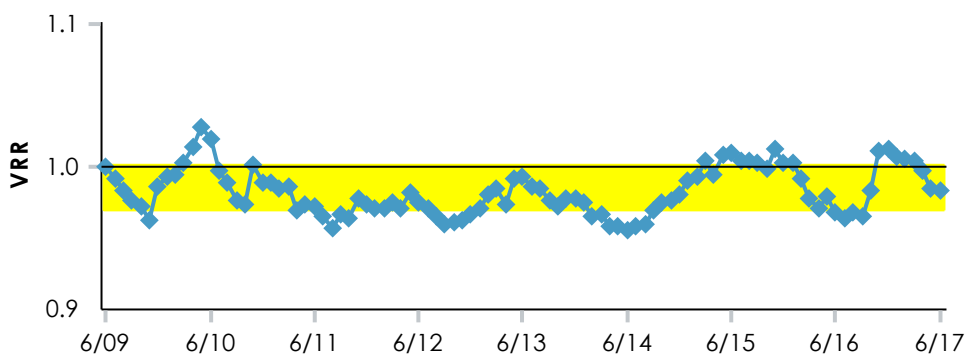


Medium-Term Performance:

**Positive**

Probationary Performance = -2.0%

### Long-term (July 1, 2009 To June 30, 2017 VRR)



Long-Term Performance:

**Acceptable**

Probationary Performance = 0.97

### Annualized Performance Results (Net of management fees)

	1 Quarter	1 Year	3 Years	5 Years	Since July 2009
DFA Global Allocation 25/75	1.1	4.7	2.1	3.7	4.7
DFA Global 25/75 Blend	3.2	3.1	1.1	3.5	5.0

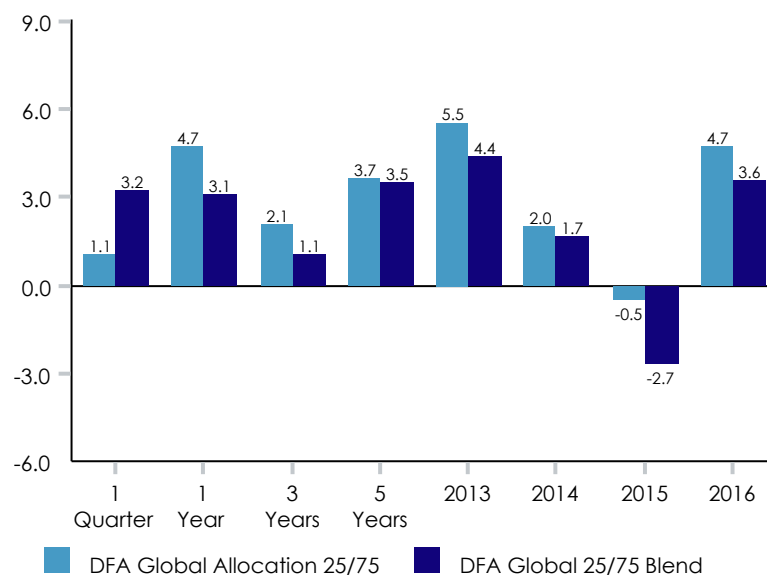
Monitoring Status

**Positive**

## Mutual Fund Info

Product Name : DFA Gbl All 25/75;R2 (DFGPX)  
 Fund Family : Dimensional Fund Advisors LP  
 Ticker : DFGPX  
 Peer Group : IM Mixed-Asset Target Alloc  
 Conserv (MF)  
 Benchmark : Dow Jones U.S. Conservative  
 Index  
 Fund Inception : 12/24/2003  
 Portfolio Manager : Team Managed  
 Total Assets : \$1 Million  
 Total Assets Date : 06/30/2017  
 Gross Expense : 0.7%  
 Net Expense : 0.5%  
 Turnover : N/A

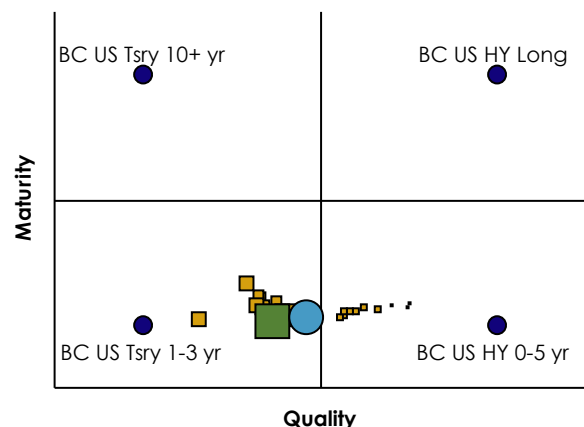
## Comparative Performance



## Fund Investment Policy

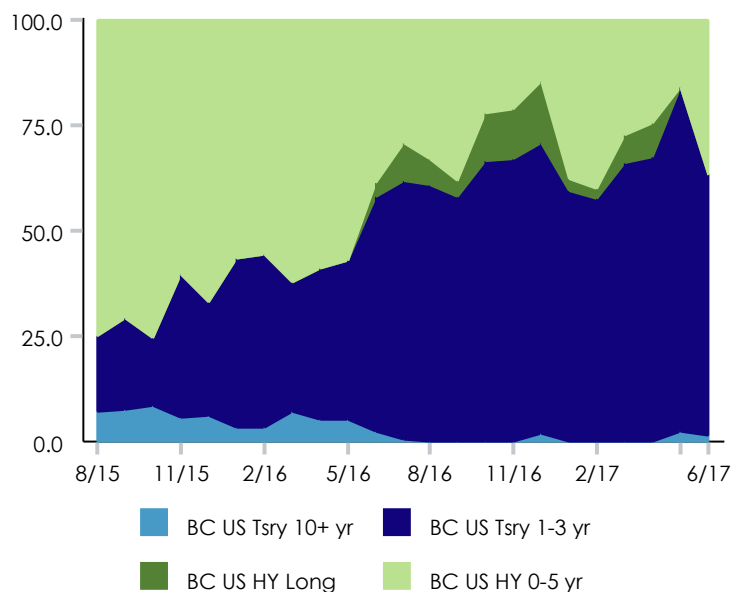
The Portfolio seeks total return consistent by allocating its assets between underlying equity and fixed income domestic and international funds. The equity allocation will vary between 5% and 45% with a target allocation of about 25%, and the fixed income allocation will vary between 55% and 95% with target of 75%.

## Style Map (3 Years)



- Style History
- Jun-2017
- Average Style Exposure

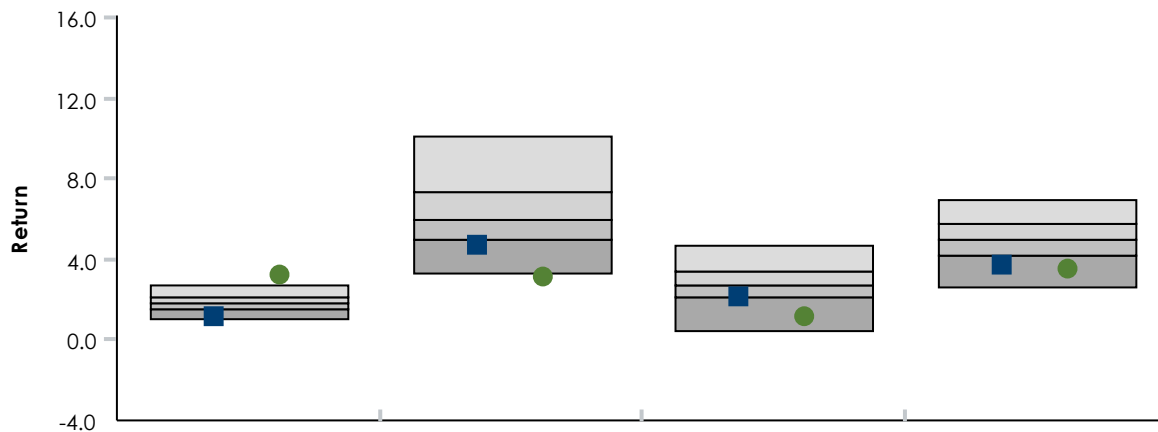
## Style History (3 Years)



## Historical Statistics (3 Years)

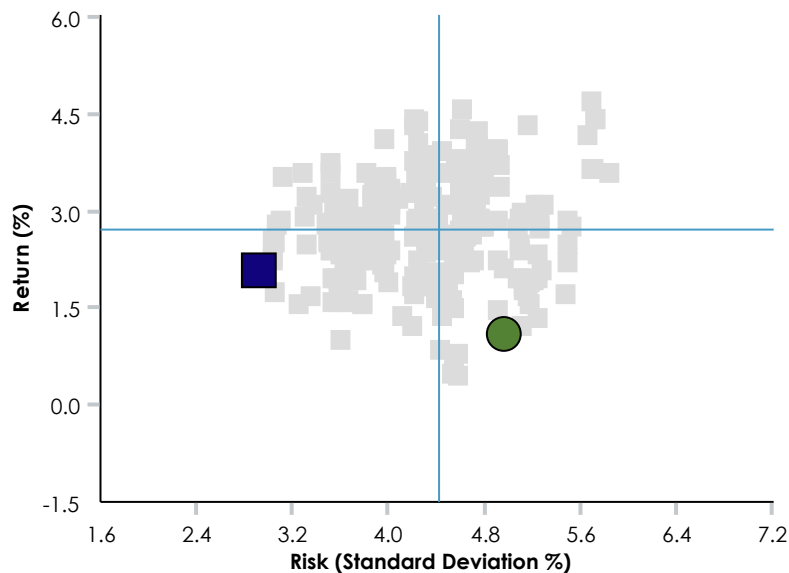
	Return	Standard Deviation	Sharpe Ratio	Alpha	Beta	R-Squared	Tracking Error	Information Ratio	Up Market Capture	Down Market Capture
DFA Global Allocation 25/75	2.1	2.9	0.7	1.5	0.5	0.6	3.2	0.3	61.1	40.2
DFA Global 25/75 Blend	1.1	5.0	0.2	0.0	1.0	1.0	0.0	N/A	100.0	100.0
IM Mixed-Asset Target Alloc Conserv (MF) Median	2.7	4.4	0.6	2.0	0.7	0.6	3.2	0.5	89.5	63.3

## Peer Group Analysis



	1 Quarter	1 Year	3 Years	5 Years
■ DFA Global Allocation 25/75	1.1 (95)	4.7 (79)	2.1 (75)	3.7 (86)
● DFA Global 25/75 Blend	3.2 (3)	3.1 (96)	1.1 (94)	3.5 (87)
Median	1.8	6.0	2.7	5.0

## Peer Group Scattergram (3 Years)



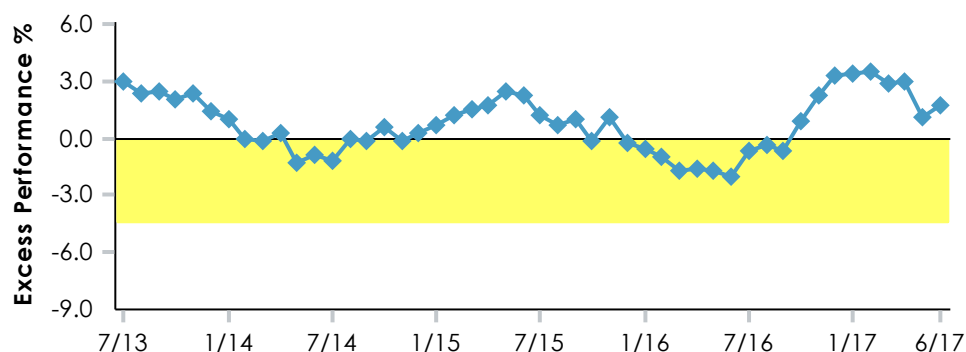
	Return	Standard Deviation
■ DFA Global Allocation 25/75	2.1	2.9
● DFA Global 25/75 Blend	1.1	5.0
— Median	2.7	4.4

## Performance Statistics (3 Years)

	Months	%
<b>Market Capture</b>		
Up Markets	20	61.1
Down Markets	16	40.2
<b>Batting Average</b>		
Up Markets	20	25.0
Down Markets	16	81.3
Overall	36	50.0

# DFA Global Allocation 60/40 vs. DFA Global 60/40 Blend

## Short-term (Rolling 12 Months Excess Performance)

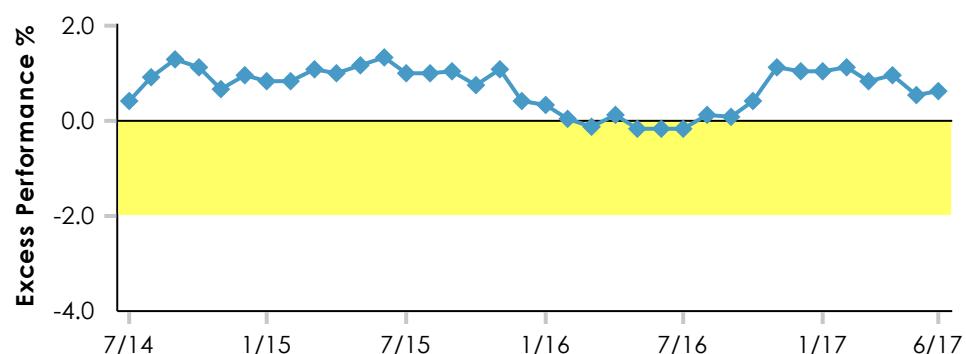


Short-Term Performance:

**Positive**

Probationary Performance : -4.5%

## Medium-term (Rolling 36 Months Excess Performance)

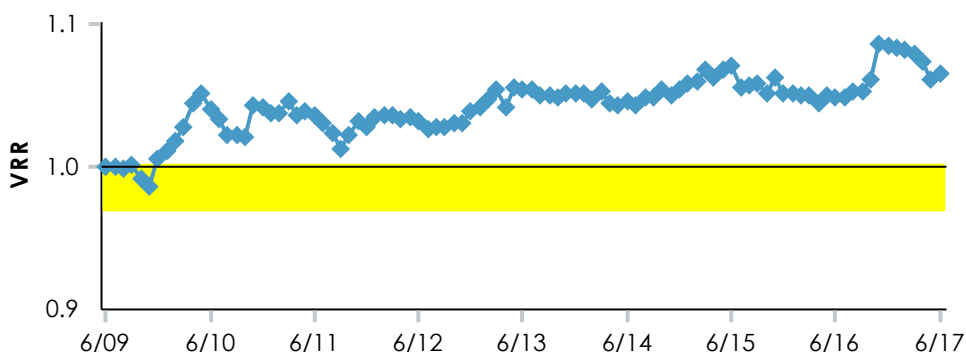


Medium-Term Performance:

**Positive**

Probationary Performance= -2.0%

## Long-term (July 1, 2009 To June 30, 2017 VRR)



Long-Term Performance:

**Positive**

Probationary Performance = 0.97

## Annualized Performance Results (Net of management fees)

	1 Quarter	1 Year	3 Years	5 Years	Since July 2009
DFA Global Allocation 60/40	2.3	11.7	3.7	7.9	8.8
DFA Global 60/40 Blend	3.6	9.9	3.1	7.2	8.0

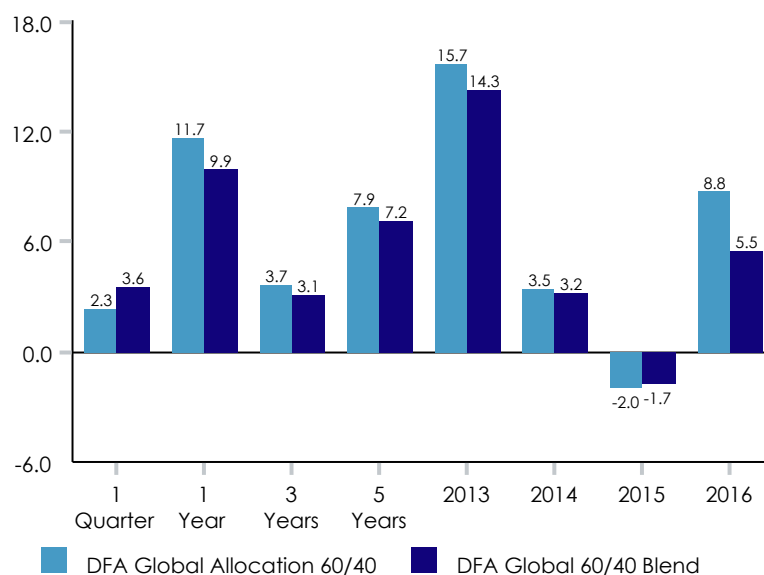
Monitoring Status

**Positive**

### Mutual Fund Info

Product Name : DFA Gbl All 60/40;R2 (DFPRX)  
 Fund Family : Dimensional Fund Advisors LP  
 Ticker : DFPRX  
 Peer Group : IM Mixed-Asset Target Alloc Moderate (MF)  
 Benchmark : Dow Jones U.S. Moderate Index  
 Fund Inception : 12/24/2003  
 Portfolio Manager : Team Managed  
 Total Assets : \$7 Million  
 Total Assets Date : 06/30/2017  
 Gross Expense : 0.8%  
 Net Expense : 0.5%  
 Turnover : N/A

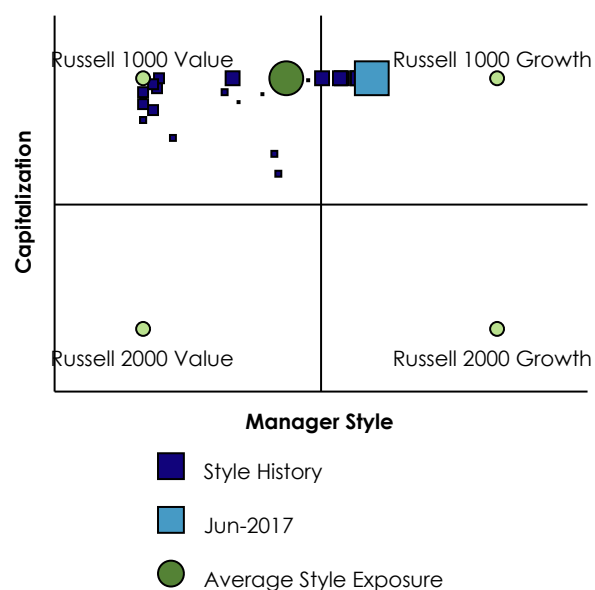
### Comparative Performance



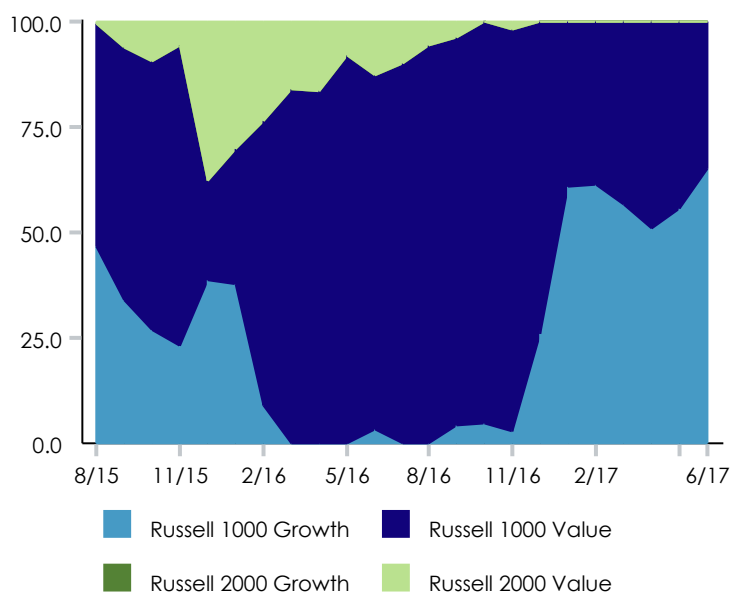
### Fund Investment Policy

The Fund seeks capital appreciation and current income by allocating its assets to Underlying Funds that invest in equity and fixed income securities in a 60/40 split.

### Style Map (3 Years)



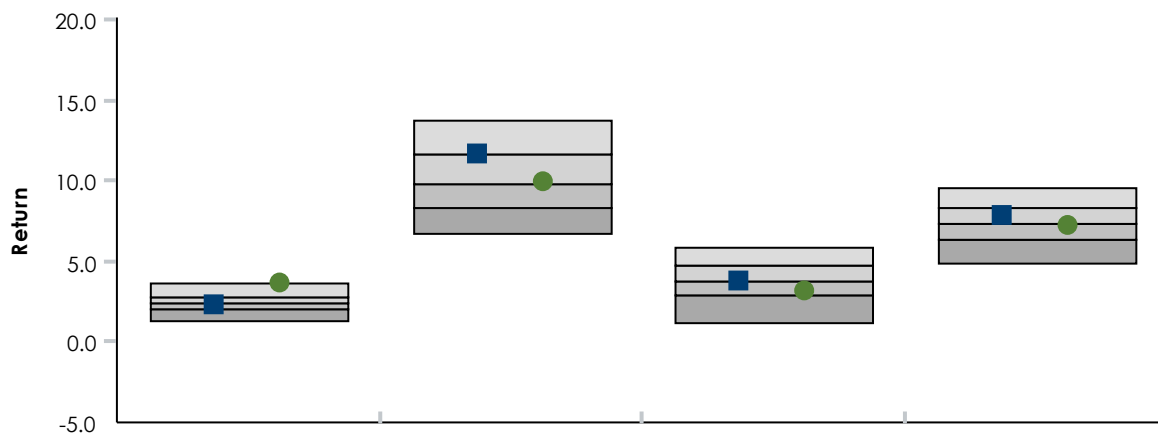
### Style History (3 Years)



## Historical Statistics (3 Years)

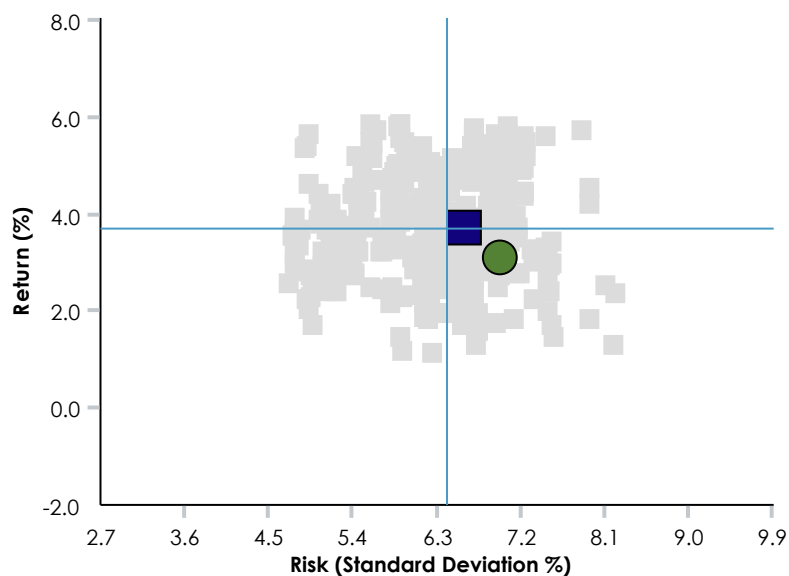
	Return	Standard Deviation	Sharpe Ratio	Alpha	Beta	R-Squared	Tracking Error	Information Ratio	Up Market Capture	Down Market Capture
DFA Global Allocation 60/40	3.7	6.6	0.6	0.9	0.9	0.9	2.3	0.3	87.0	74.7
DFA Global 60/40 Blend	3.1	7.0	0.4	0.0	1.0	1.0	0.0	N/A	100.0	100.0
IM Mixed-Asset Target Alloc Moderate (MF) Median	3.7	6.4	0.6	1.2	0.9	0.9	2.6	0.2	86.0	71.5

## Peer Group Analysis



	1 Quarter	1 Year	3 Years	5 Years
■ DFA Global Allocation 60/40	2.3 (59)	11.7 (25)	3.7 (49)	7.9 (33)
● DFA Global 60/40 Blend	3.6 (6)	9.9 (48)	3.1 (70)	7.2 (53)
Median	2.4	9.7	3.7	7.3

## Peer Group Scattergram (3 Years)



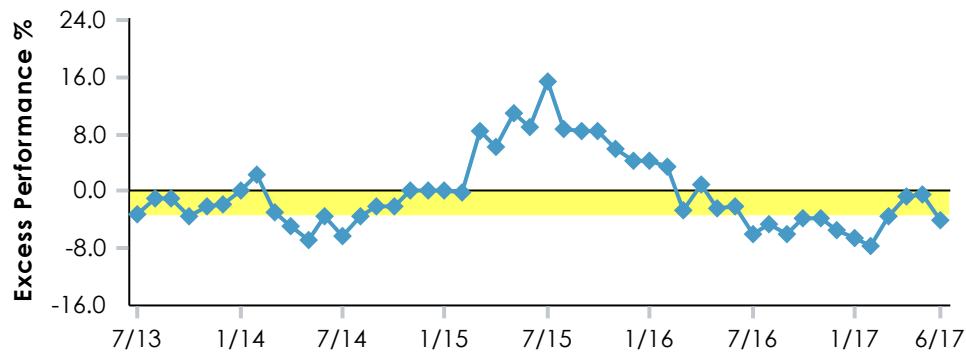
	Return	Standard Deviation
■ DFA Global Allocation 60/40	3.7	6.6
● DFA Global 60/40 Blend	3.1	7.0
— Median	3.7	6.4

## Performance Statistics (3 Years)

	Months	%
<b>Market Capture</b>		
Up Markets	20	87.0
Down Markets	16	74.7
<b>Batting Average</b>		
Up Markets	20	25.0
Down Markets	16	75.0
Overall	36	47.2

# Cavalier Dynamic Growth vs. S&P Global BMI NR

## Short-term (Rolling 12 Months Excess Performance)

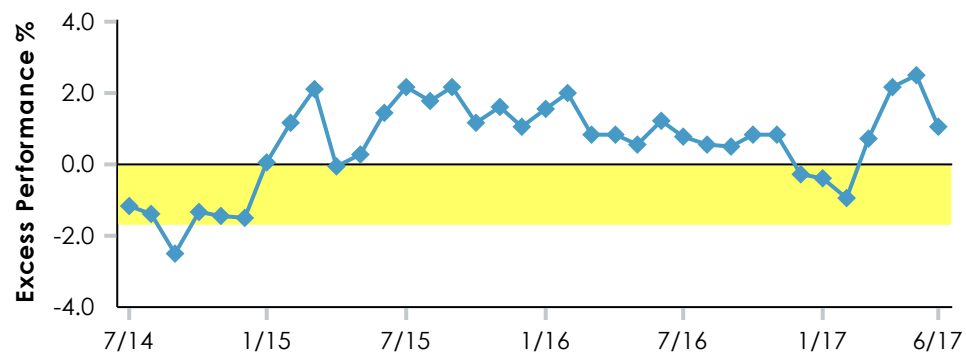


Short-Term Performance:

**Acceptable**

Probationary Performance : -3.5%

## Medium-term (Rolling 36 Months Excess Performance)

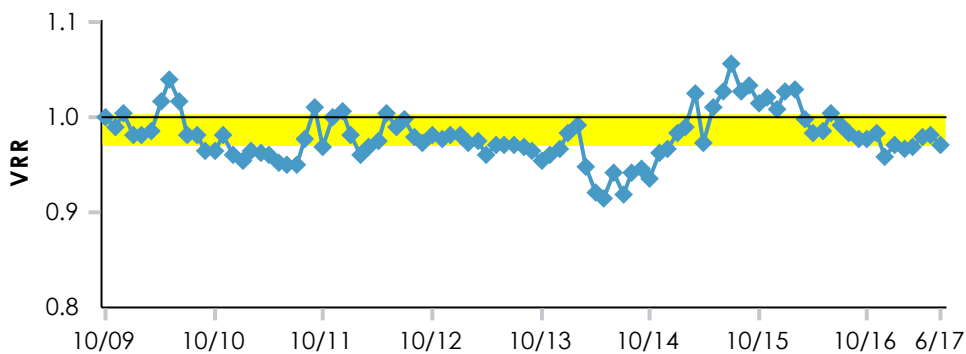


Medium-Term Performance:

**Positive**

Probationary Performance= -1.75%

## Long-term (November 1, 2009 To June 30, 2017 VRR)



Long-Term Performance:

**Acceptable**

Probationary Performance = 0.97

## Annualized Performance Results (Net of management fees)

	1 Quarter	1 Year	3 Years	5 Years	Since November 2009
Cavalier Dynamic Growth	4.7	15.1	5.9	10.4	8.9
S&P Global BMI NR	4.3	19.1	4.9	10.8	9.3

Monitoring Status

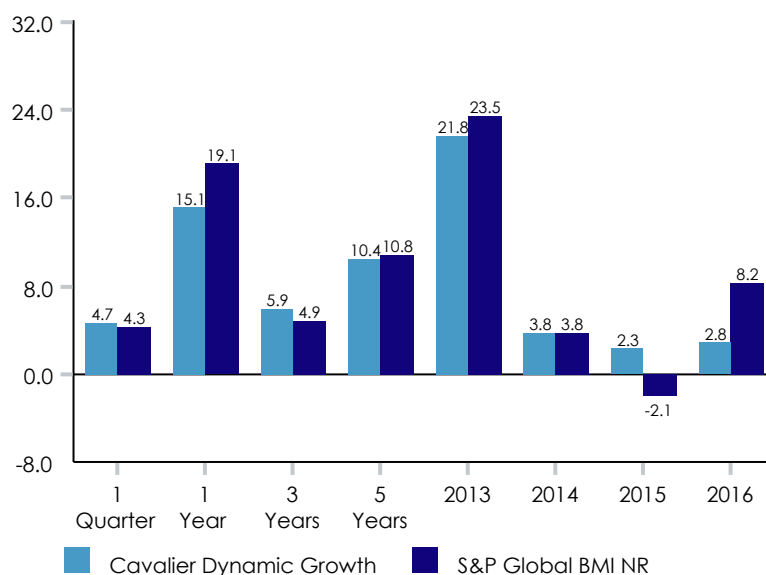
**Acceptable**



### Mutual Fund Info

Product Name : Cav Dynamic Growth;Inst (CDYGX)  
 Fund Family : FolioMetrix LLC  
 Ticker : CDYGX  
 Peer Group : IM U.S. Multi-Cap Growth Equity(MF)  
 Benchmark : Russell 3000 Growth Index  
 Fund Inception : 10/02/2009  
 Portfolio Manager : Scalzo/Mann  
 Total Assets : \$6 Million  
 Total Assets Date : 06/30/2017  
 Gross Expense : 2.6%  
 Net Expense : 1.4%  
 Turnover : 313%

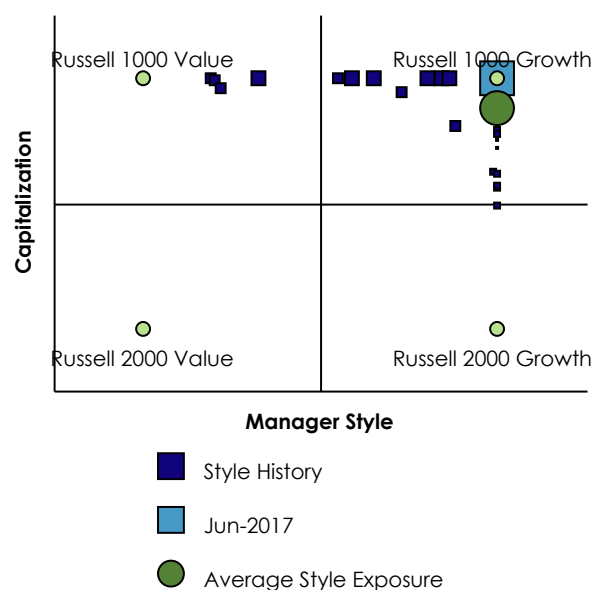
### Comparative Performance



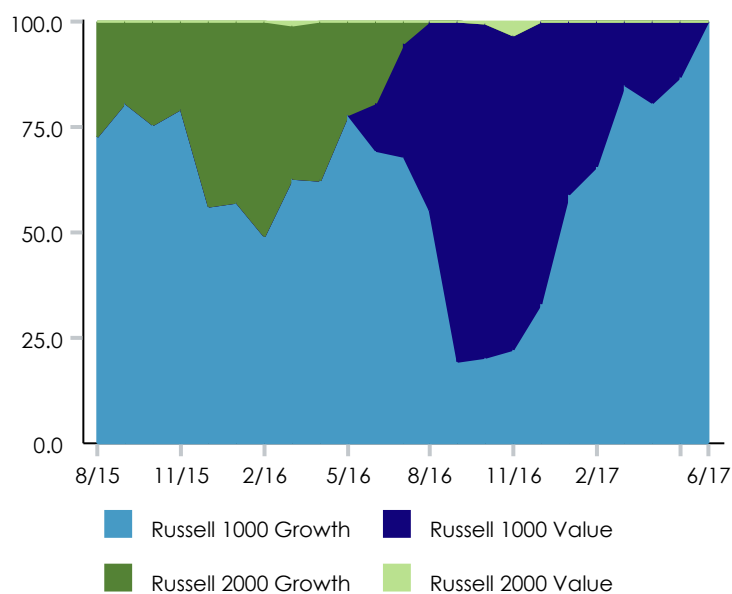
### Fund Investment Policy

The Fund seeks capital appreciation without regard to current income. The Fund seeks to achieve its investment objective by investing primarily in no-load, institutional and exchanged-traded funds. The Fund's investments generally will include, but are not limited to, equity securities.

### Style Map (3 Years)



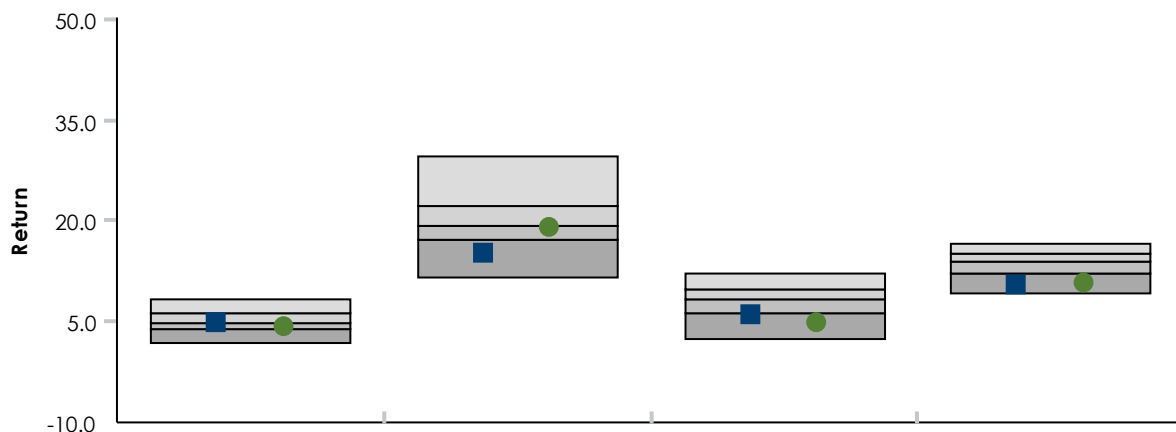
### Style History (3 Years)



## Historical Statistics (3 Years)

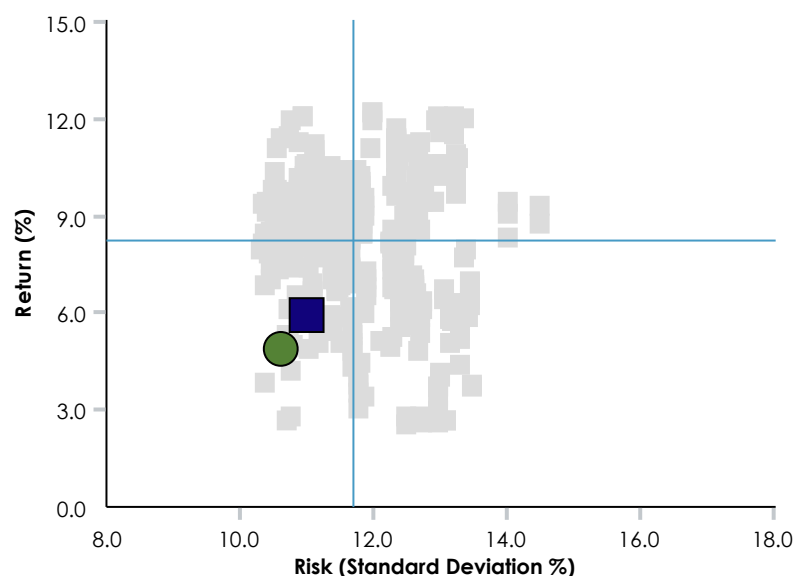
	Return	Standard Deviation	Sharpe Ratio	Alpha	Beta	R-Squared	Tracking Error	Information Ratio	Up Market Capture	Down Market Capture
Cavalier Dynamic Growth	5.9	11.0	0.6	1.9	0.8	0.7	6.7	0.2	93.5	81.1
S&P Global BMI NR	4.9	10.6	0.5	0.0	1.0	1.0	0.0	N/A	100.0	100.0
IM U.S. Multi-Cap Growth Equity(MF) Median	8.2	11.7	0.7	3.7	1.0	0.8	5.6	0.6	114.6	94.7

## Peer Group Analysis



	1 Quarter	1 Year	3 Years	5 Years
■ Cavalier Dynamic Growth	4.7 (54)	15.1 (87)	5.9 (79)	10.4 (90)
● S&P Global BMI NR	4.3 (62)	19.1 (54)	4.9 (88)	10.8 (88)
Median	4.8	19.4	8.2	13.9

## Peer Group Scattergram (3 Years)



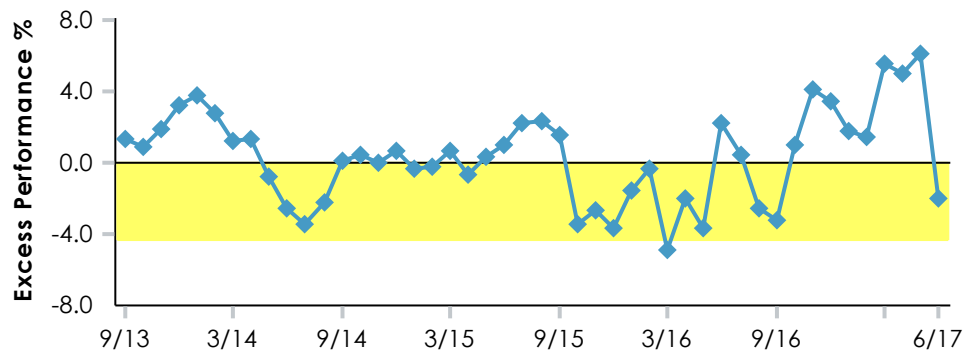
	Return	Standard Deviation
■ Cavalier Dynamic Growth	5.9	11.0
● S&P Global BMI NR	4.9	10.6
— Median	8.2	11.7

## Performance Statistics (3 Years)

	Months	%
<b>Market Capture</b>		
Up Markets	22	93.5
Down Markets	14	81.1
<b>Batting Average</b>		
Up Markets	22	50.0
Down Markets	14	71.4
Overall	36	58.3

# Cavalier Global Opportunities vs. S&P Global BMI NR

## Short-term (Rolling 12 Months Excess Performance)

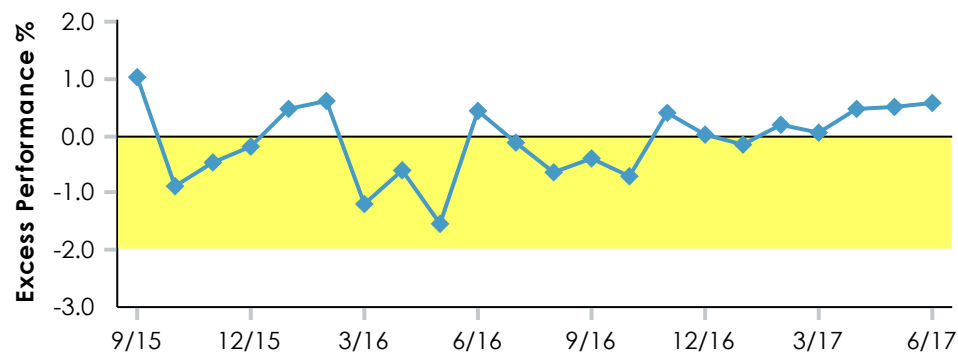


Short-Term Performance:

**Positive**

Probationary Performance : -4.5%

## Medium-term (Rolling 36 Months Excess Performance)

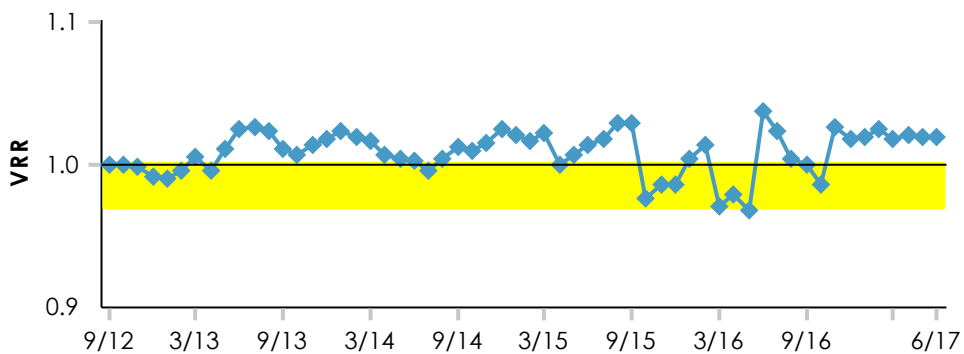


Medium-Term Performance:

**Positive**

Probationary Performance= -2.0%

## Long-term (October 1, 2012 To June 30, 2017 VRR)



Long-Term Performance:

**Positive**

Probationary Performance = 0.97

## Annualized Performance Results (Net of management fees)

	1 Quarter	1 Year	3 Years	5 Years	Since October 2012
Cavalier Global Opportunities	4.5	17.1	5.4	N/A	10.3
S&P Global BMI NR	4.3	19.1	4.9	10.8	9.8

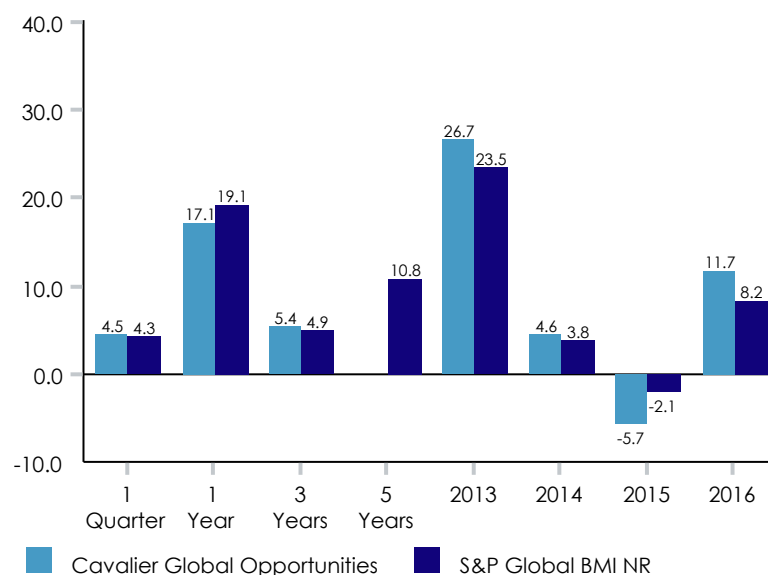
Monitoring Status

**Positive**

### Mutual Fund Info

Product Name : Cav Gbl Oppts;Inst (CATEX)  
 Fund Family : Cavalier Investments Inc  
 Ticker : CATEX  
 Peer Group : IM U.S. Multi-Cap Core Equity (MF)  
 Benchmark : Russell 3000 Index  
 Fund Inception : 09/20/2012  
 Portfolio Manager : Team Managed  
 Total Assets : \$22 Million  
 Total Assets Date : 06/30/2017  
 Gross Expense : 2.2%  
 Net Expense : 1.7%  
 Turnover : 285%

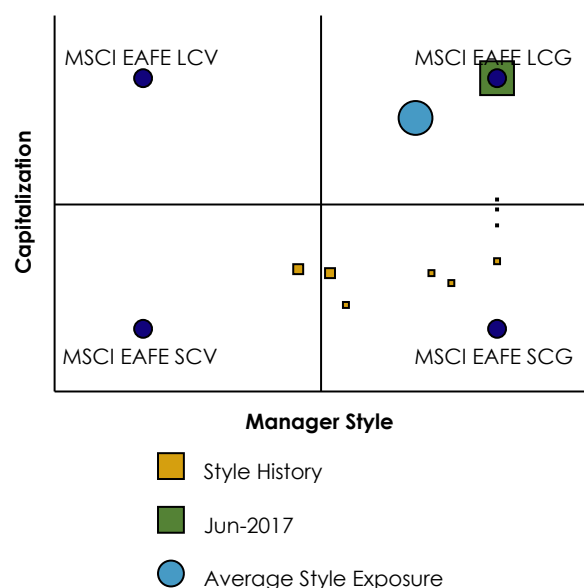
### Comparative Performance



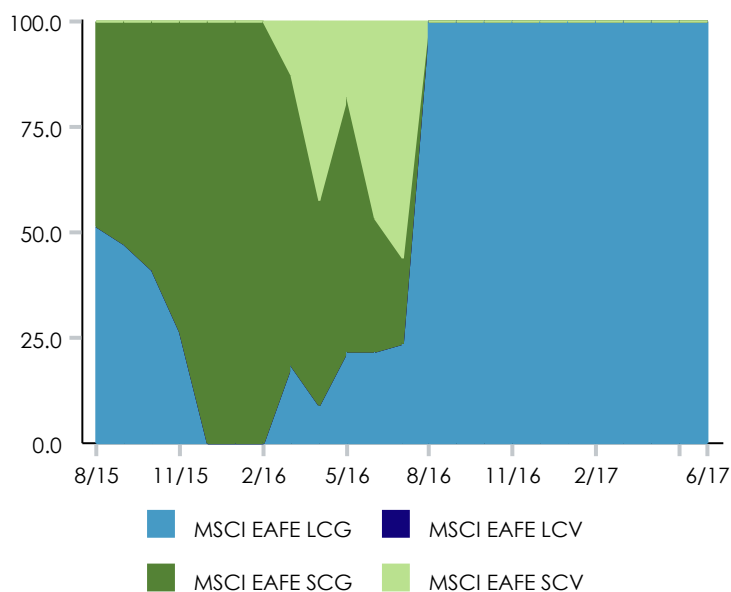
### Fund Investment Policy

The Fund seeks capital appreciation. Under normal circumstances, at least 80% of the Funds net assets will be invested in Portfolio Funds that invest in equity securities. Shareholders will be provided with at least 60 days prior notice of any change in this policy.

### Style Map (3 Years)



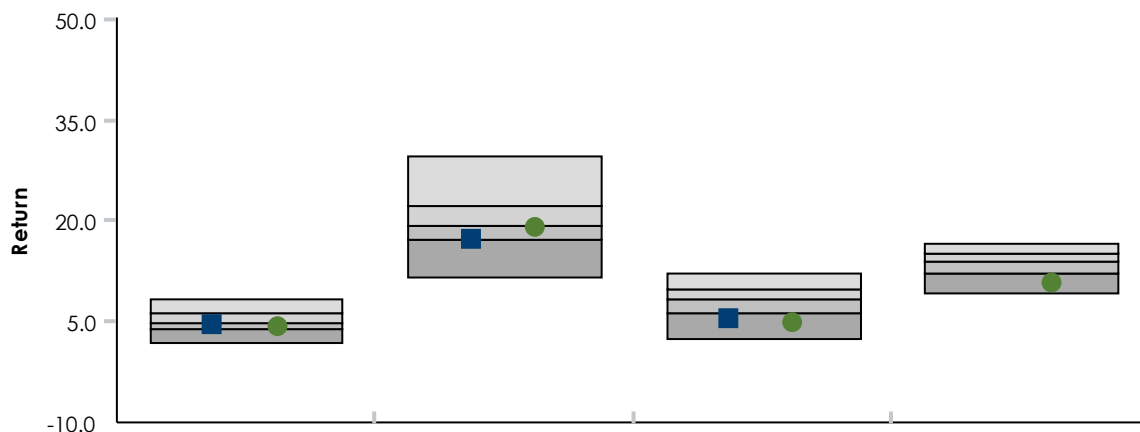
### Style History (3 Years)



## Historical Statistics (3 Years)

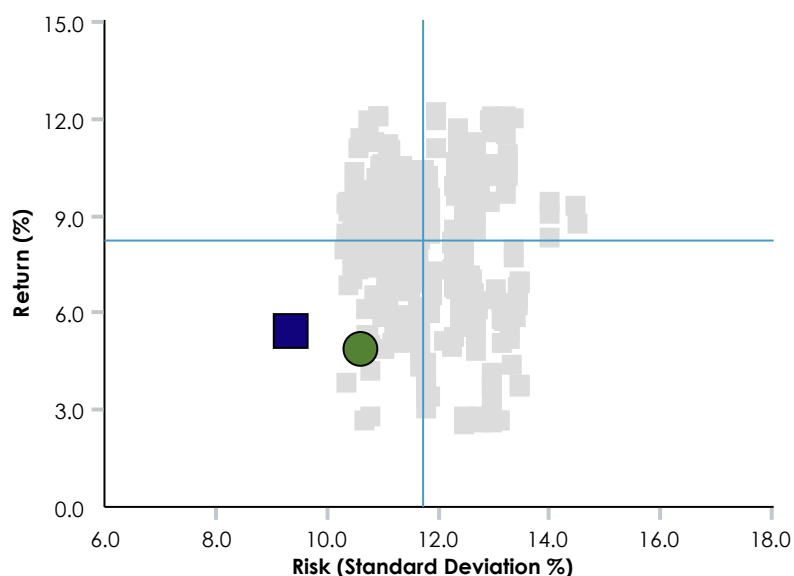
	Return	Standard Deviation	Sharpe Ratio	Alpha	Beta	R-Squared	Tracking Error	Information Ratio	Up Market Capture	Down Market Capture
Cavalier Global Opportunities	5.4	9.4	0.6	2.2	0.7	0.6	7.0	0.1	78.2	64.2
S&P Global BMI NR	4.9	10.6	0.5	0.0	1.0	1.0	0.0	N/A	100.0	100.0
IM U.S. Multi-Cap Growth Equity(MF) Median	8.2	11.7	0.7	3.7	1.0	0.8	5.6	0.6	114.6	94.7

## Peer Group Analysis



	1 Quarter	1 Year	3 Years	5 Years
■ Cavalier Global Opportunities	4.5 (58)	17.1 (76)	5.4 (84)	N/A
● S&P Global BMI NR	4.3 (62)	19.1 (54)	4.9 (88)	10.8 (88)
Median	4.8	19.4	8.2	13.9

## Peer Group Scattergram (3 Years)



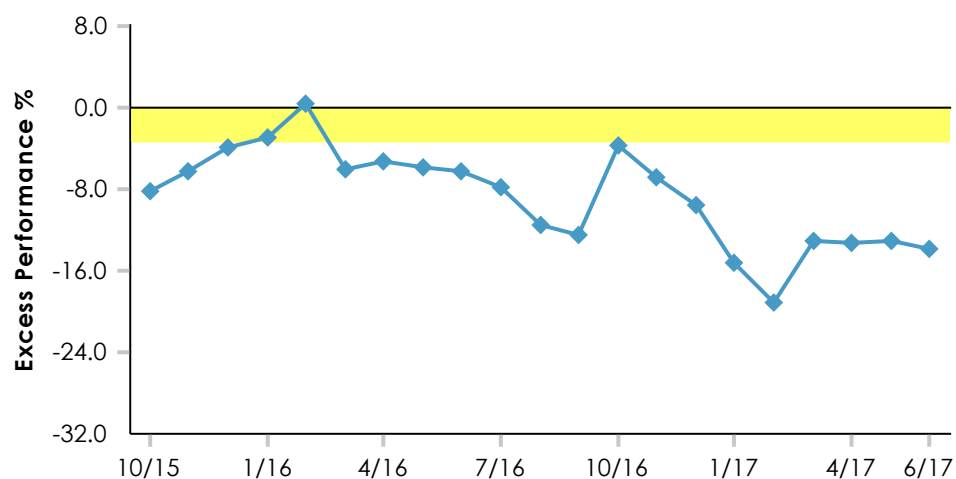
	Return	Standard Deviation
■ Cavalier Global Opportunities	5.4	9.4
● S&P Global BMI NR	4.9	10.6
— Median	8.2	11.7

## Performance Statistics (3 Years)

	Months	%
<b>Market Capture</b>		
Up Markets	22	78.2
Down Markets	14	64.2
<b>Batting Average</b>		
Up Markets	22	45.5
Down Markets	14	71.4
Overall	36	55.6

## Aspiration Flagship vs. S&P 500 Index

### Short-term (Rolling 12 Months Excess Performance)



Short-Term Performance:

**Caution**

Probationary Performance = -3.5%

### Annualized Performance Results (Net of management fees)

	1 Quarter	1 Year	3 Years	5 Years	Since Inception	Inception Date
Aspiration Flagship	0.7	4.1	N/A	N/A	0.2	11/01/2014
S&P 500 Index	3.1	17.9	9.6	14.6	9.4	

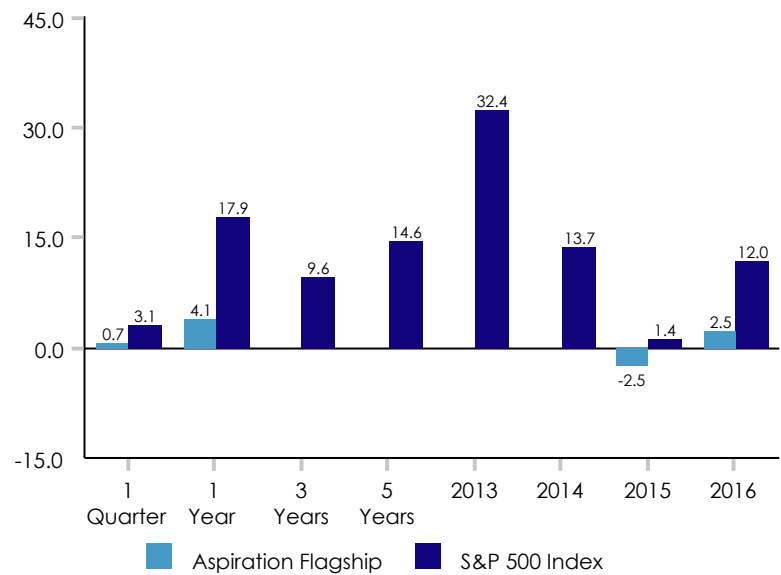
Monitoring Status

**Caution**

## Mutual Fund Info

Product Name : Aspiration Flagship (ASPFX)  
 Fund Family : Aspiration Fund Adviser LLC  
 Ticker : ASPFX  
 Peer Group : IM Alternative Multi-Strategy (MF)  
 Benchmark : S&P 500 Index  
 Fund Inception : 10/14/2014  
 Portfolio Manager : Besecker/Witthohn  
 Total Assets : \$9 Million  
 Total Assets Date : 06/30/2017  
 Gross Expense : 8.1%  
 Net Expense : 1.5%  
 Turnover : 25%

## Comparative Performance



## Fund Investment Policy

The Fund seeks long-term capital appreciation by providing risk-adjusted returns. The Fund seeks to achieve its investment objective by investing primarily in shares of registered investment companies, including open-end funds, exchange-traded funds and closed-end funds that emphasize alternative strategies.

## Style Map (3 Years)

No data found.

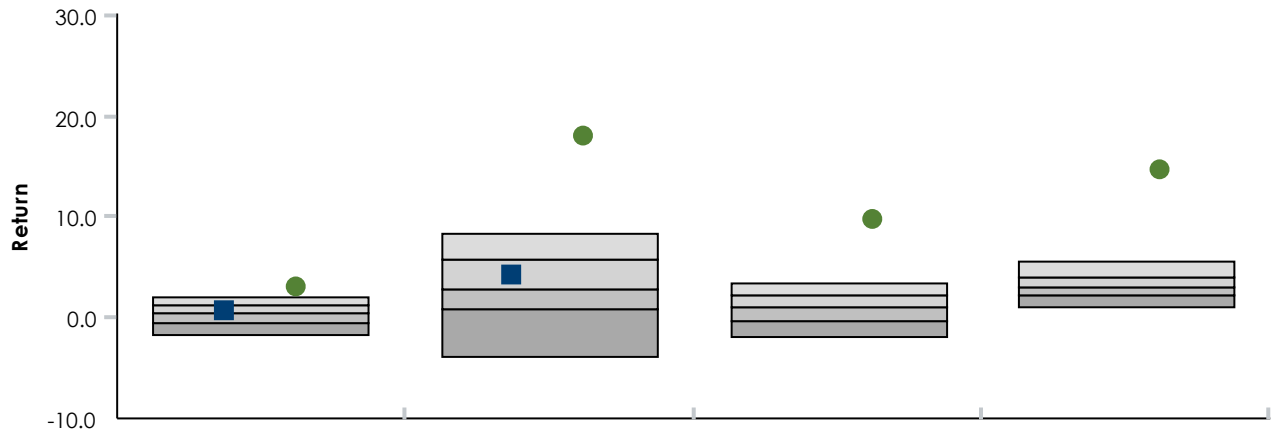
## Style History (3 Years)

No data found.

## Historical Statistics (1 Year)

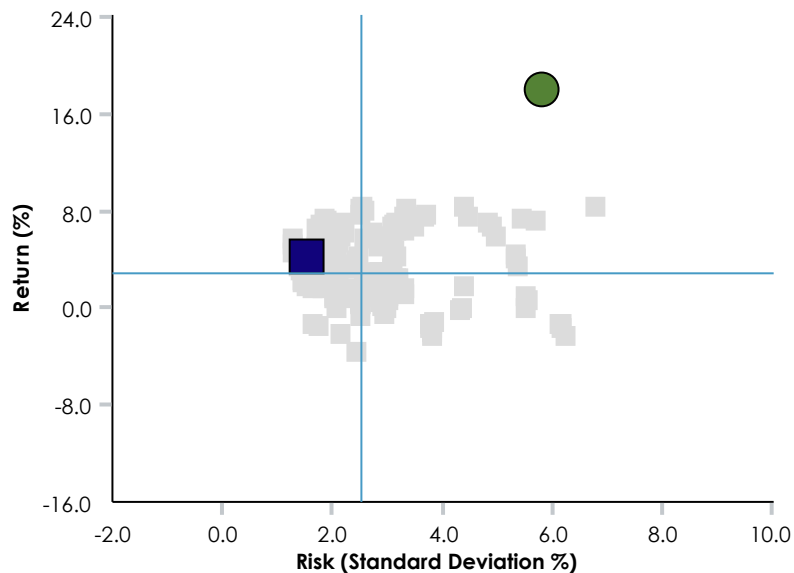
	Return	Standard Deviation	Sharpe Ratio	Alpha	Beta	R-Squared	Tracking Error	Information Ratio	Up Market Capture	Down Market Capture
Aspiration Flagship	4.1	1.6	2.3	0.6	0.2	0.6	4.7	-2.7	25.7	38.7
S&P 500 Index	17.9	5.8	2.8	0.0	1.0	1.0	0.0	N/A	100.0	100.0
IM Alternative Multi-Strategy (MF) Median	2.9	2.5	1.1	-0.7	0.2	0.4	4.8	-2.7	17.7	42.7

## Peer Group Analysis



	1 Quarter	1 Year	3 Years	5 Years
■ Aspiration Flagship	0.7 (43)	4.1 (40)	N/A	N/A
● S&P 500 Index	3.1 (1)	17.9 (1)	9.6 (1)	14.6 (1)
Median	0.5	2.9	1.1	2.9

## Peer Group Scattergram (1 Year)

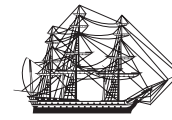


## Performance Statistics (1 Year)

	Months	%
<b>Market Capture</b>		
Up Markets	11	25.7
Down Markets	1	38.7
<b>Batting Average</b>		
Up Markets	11	18.2
Down Markets	1	100.0
Overall	12	25.0

	Return	Standard Deviation
■ Aspiration Flagship	4.1	1.6
● S&P 500 Index	17.9	5.8
— Median	2.9	2.5





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Investor education

# Fair-value pricing

## What is fair-value pricing?

It's important that the underlying securities in an ETF or mutual fund are accurately priced. However, there are times when the price is not readily available or does not reflect the securities' true value. Fair-value pricing is a strategy used to align the prices of the underlying securities with their true value. This strategy results in more accurate pricing for your ETF or mutual fund.

## What prompts fair-value pricing?

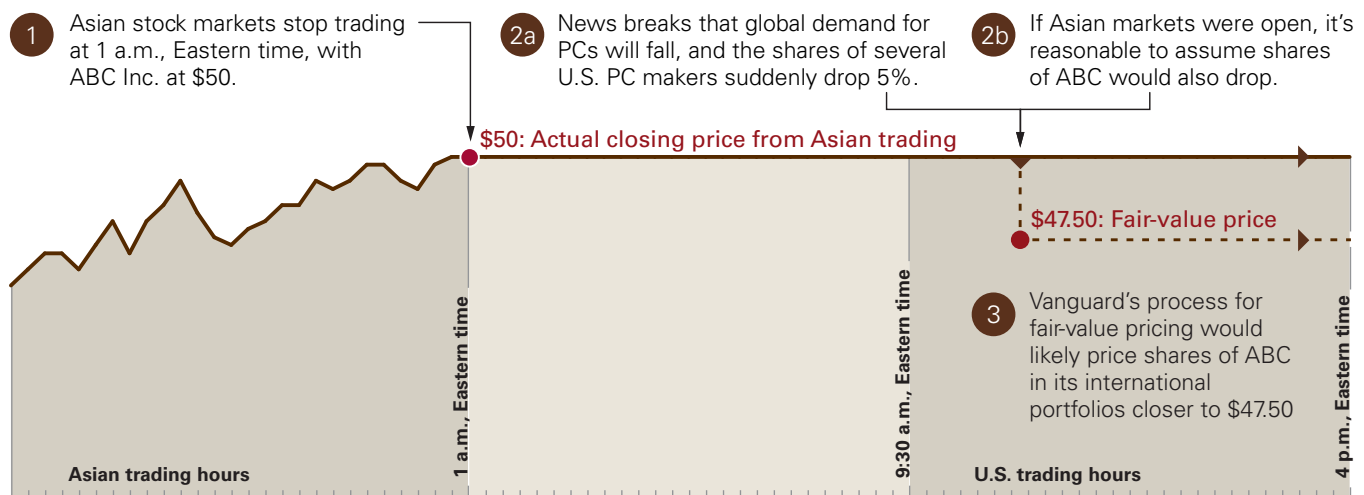
Some ETFs and mutual funds will use fair-value pricing if the value of their underlying securities has been materially affected by events occurring before the U.S. market closes, but after the close of the markets or exchanges on which the security is traded. This situation most commonly

occurs with foreign securities, which may trade on foreign exchanges that close many hours before the ETF or mutual fund is priced in the U.S. Fair-value pricing addresses the price discrepancies in such scenarios. As a result, a divergence in a fair-value priced asset and the index may be observed temporarily.

## Why does Vanguard use fair-value pricing?

Vanguard believes that fair-value pricing helps you receive a fair and accurate price for your ETF or mutual fund. Fair-value pricing can also discourage short-term trading, which can drive up costs and, potentially, have an adverse effect on taxes.

## Example of fair-value pricing in action



All investing is subject to risk, including possible loss of principal.

**For more information about Vanguard funds or Vanguard ETFs, visit [advisors.vanguard.com](http://advisors.vanguard.com) or call 800-997-2798 to obtain a prospectus. Investment objectives, risks, charges, expenses, and other important information are contained in the prospectus; read and consider it carefully before investing.**

*Vanguard ETF Shares are not redeemable with the issuing Fund other than in very large aggregations worth millions of dollars. Instead, investors must buy and sell Vanguard ETF Shares in the secondary market and hold those shares in a brokerage account. In doing so, the investor may incur brokerage commissions and may pay more than net asset value when buying and receive less than net asset value when selling.*

Financial advisors: Visit [advisors.vanguard.com](http://advisors.vanguard.com) or call 800-997-2798.



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6,879,964; 7,337,138; 7,720,749;  
7,925,573; 8,090,646; and 8,417,623.  
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